Daily Report

Latin America

FBIS-LAT-90-249
Thursday
27 December 1990

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FBIS-LAT-90-249 *27 December 1990*

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NOTICE TO READERS: An • indicates material not disseminated in electronic form.

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Cuba

Eighth National Assembly Session Opens in Havana

FL2612163090 Havana Radio Reloj Network in Spanish 1502 GMT 26 Dec 90

[Text] The Eighth Session of the National Assembly of the Peoples' Government is being held this morning in the Palace of Conventions with the attendance of Commander Fidel Castro, president of the Councils of State and Ministers. The 463 deputies present, 91.1 percent, learned from Juan Escalona Reguera, president of the leading state organ, of the swearing-in of two new members.

Adolfo Diaz, minister of agriculture [title as heard], submitted a report from the Executive Council of the Council of Ministers on the progress in the food program. The members of our parliament had the opportunity to learn about the successes and deficiencies of the food program, which is being carried out with fewer resources and the need to produce greater results.

Castro Discusses Salaries, Land

FL2612184990 Havana Radio Progreso Network in Spanish 1725 GMT 26 Dec 90

[Excerpts] The second and final session [of 1990] of the National Assembly [ANPP] is meeting today in the Palace of Conventions. As had been reported, the food program has been the main item of discussion for the two first days of this session, attended by 463 deputies. The president of the Councils of State and Ministers, Commander in Chief Fidel Castro, who listened to deputies' remarks on the matter, spoke during the working session on the bond between man and the land.

[Begin Castro recording] There is a relationship between salary and yield. This is a principle. There is a relationship between man and the land. It used to be that a man worked on 100 caballerias of plantains. One day he worked in one corner and in the next in another corner of the farm. He was not identified with one area, with his area, which he was tending every day. This association took place later, not just the salary and the yield, but rather the relationship of workers of collectives with their farm. This creates a bond with his regular area where he works year in and year out. Everything he does to take care of it is for personal benefit and the benefit of our agriculture. This is not only a question of salary but is also the work of organization. The day will come when all bureaucracy, paperwork, and millions of those things disappear. This is a very important point. With the other system, they had 12 men per caballeria. Now they have accomplished reducing this to five men per caballeria. [end recording]

Juan Escalona Regeura, president of the National Assembly of the Peoples' Government, explained at the opening of the session that ministers and experts working in the food plan were invited to the session. [passage omitted]

In subsequent newscasts we will carry for you details from the session of the ANPP from the Palace of Conventions.

Castro for More Discipline in Agriculture

FL2712123590 Havana Tele Rebelde Network in Spanish 1200 GMT 27 Dec 90

[Text] The Eighth Session of the National Assembly of the People's Government will continue its activities at Havana's Palace of Conventions today.

During the meeting's first day, Commander in Chief Fidel Castro made a call for the development of discipline in agricultural activities, where many vices had accumulated. When Havana's agriculture problems were discussed, Fidel suggested that the floor be given to those who have followed closely the development of that situation. The role of students was also highlighted in the debates of the food program. Their contribution has been considerable at rural schools and at places where they carry out agricultural labor during their vacation time. They will continue to do this because this is of teaching value, said Fidel.

Castro Speaks on Agricultural Problems

PA2712032090 Madrid EFE in Spanish 0120 GMT 27 Dec 90

[Text] Havana, 26 Dec (EFE)—The Cuban parliament today opened its last meeting of 1990 with a debate on the so-called food program, which the Cuban Government views as a priority program to increase agricultural production and satisfy the demands of the population.

This regular parliamentary session—which is being attended by 463 deputies (approximately 91.8 percent of the total)—and Thursday's session will be entirely devoted to analyzing a report on food production and distribution and on the utilization of the labor force in the agricultural sector.

Cuban President Fidel Castro today appealed to the parliament to promote discipline in the agriculture sector. He admitted that this sector has many faults and that many errors have been committed because the integral ideas contained in state plans were neglected.

The Cuban president described the Cuban agricultural workers as outcasts. He promised that their situation will improve so that the new towns are not built on crossroads or next to old villages but in the center of plantations in order to develop exclusively agricultural communities.

Castro said that several crops and the livestock sector have been totally abandoned. There are other problems, he said, and he mentioned the existence of large payrolls and countless chiefs and deputy chiefs.

Castro said that the Cuban countryside is full of qualified workers who have many skills. He said that right now, the hardest work in Cuba is the planting and cultivation of vegetables because this cannot be mechanized.

Meanwhile, Council of Ministers Vice President Adolfo Diaz has said that an annual $1 billion food bill is both unadvisable and unrealistic.

Speaking at a plenary meeting about agricultural and livestock projects included in the food program, Diaz said that by 1995 Cuba will have a population of over 11 million, which will require annual investments of $1 billion in the nutrition sector. Diaz noted that the international situation will have an influence on Cuba's economic relations in the near future. Any time wasted now will have not only an economic cost but also a political cost we cannot ignore, Diaz said.

The food situation has become one of the most serious concerns of the Cuban authorities because of the repercussions that the fall of the communist regimes of Eastern Europe and the domestic difficulties of the Soviet Union—with which Cuba used to have 80 percent of its commercial transactions—have had on the Cuban economy.

The report on the food program states that it is planned to continue developing in spite of difficult situations that may arise as a result of the grave international economic situation. The report states that this is a task for the entire nation.

The plan includes measures aimed at covering the shortage of agricultural workers and the new forms of payment based on production results. The mobilization of workers from other sectors to the countryside is another measure noted in the document. This measure has been implemented in Havana Province since this summer to overcome the labor shortage in that province.

The Cuban parliament's program includes, until 28 December, the presentation of a report on the international activities of this branch of the Cuban Government, the ratification of several decree-laws and Council of State agreements, and a report on the government's work in the province of Villa Clara, in northwest Cuba.

Contrary to past years, this year's program does not include a section on an economic plan and a state budget for next year.

Castro's Son Defends Communism in Cuba

PA2712022190 Paris AFP in Spanish 2333 GMT 26 Dec 90

[Text] Bogota, 26 Dec (AFP)—Cuban leader Fidel Castro's son, Fidel Castro Sanchez [name as received], said today that his father will rule Cuba until "circumstances determine otherwise." Castro Sanchez also spoke in favor of maintaining communism on the Caribbean island.

"I believe my father will remain in government as long as he can contribute with his experience and knowledge," Castro Sanchez said in a telephone interview from Buenos Aires for Radio Caracol in Colombia.

Castro Sanchez said that his father does not rule Cuba alone, because in his country there are councils of state and ministers, an Assembly, and many social organizations involved in the work of the government.

In defending the communist system on the island, Castro Sanchez said that for Cuba, as the Latin American country it is, independence and national sovereignty are closely linked to socialism.

"The orthodox definition of communism is a bit simplistic and it is tinged with political prejudices rather than with specific situations," he added.

After denying that Cuba backs the changes being made in the European communist countries, Castro Sanchez said that socialism is not the only political system for all countries.

"We have developed within our situation and have created our own institutions, which are based on certain basic principles and which are quite different from the situations experienced by the European governments," Castro Sanchez explained.

Church Leader Thanks Government for Radio Program

PA2612184890 Havana International Service in Spanish 1500 GMT 26 Dec 90

[Text] Reverend Raul Suarez, the top leader of the Cuban Ecumenical Council [Consejo Ecumenico de Cuba], has termed the radio broadcast of a special Christmas program by the evangelical church an important development in church-state relations. Although the church in Cuba has never been barred from preaching the gospel from the pulpit, we decided to ask the leadership of the Communist Party of Cuba to allow us to contact all the people through a mass medium, and we immediately got an answer, Suarez remarked.

Reverend Suarez voiced his satisfaction with the Cuban Government's gesture, which, he said, stems from the rapprochement between church and state. We have always felt confident about the revolution. With each passing day, we grow more certain that the socialist option comes closest to our faith, Suarez noted. The evangelical program was broadcast on the CMBF [Radio Musical Nacional] network and lasted 30 minutes. Christmas carols were sung and Reverend Orestes Gonzalez read a Christmas message during the program.

Haiti

Aristide Plans To Increase Military Salaries

FL2712134790 Bonaire Trans World Radio in English 1130 GMT 27 Dec 90

[Text] Haitian President-Elect Jean-Bertrand Aristide is moving to end his differences with the country's Armed Forces. He says one of the first measures he will take is to increase the salaries of Haitian soldiers.

Lafontant Recognizes Aristide Victory

PA2612165090 Paris AFP in Spanish 1529 GMT 26 Dec 90

[Text] Port-au-Prince, 26 Dec (AFP)—Roger Lafontant, the former leader of the feared "Tontons Macoutes" and current president of the neo-Duvalierist Union for National Reconciliation (URN), today recognized the victory of Father Jean Bertrand Aristide, but said that the elections were "a scandal, an outrage, and insulting" to Haiti.

Lafontant said in a communique that his party "will join any effort for national reconstruction" if the president-elect "devotes himself to fulfilling the great national aspirations" and, after breaking with a past of "threats and anathemas, redefines the main lines of his social plan, taking into account the need for reconciliation within the nation itself."

According to the URN leader "only 28 percent of the voters" participated in the 16 December elections, and "more than 70 percent" heeded his party's call to refrain from voting.

Lafontant, the right hand man of the former Jean-Claude Duvalier regime, had asked his party members not to vote. Prior to the elections, Lafontant compared Father Aristide to the "Apocalypse" and said that "Attila will not enter Rome."

URN Offers Conditional Collaboration

FL2612195090 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 26 Dec 90

[Text] Communique 19, published on 24 December by the Union for National Reconciliation [URN] headed by Dr. Roger Lafontant, after commenting on its objections to the elections, advises that it is pleased that 70 percent of the electorate did not turn out to vote, but that it nevertheless recognizes Father Aristide as president.

The statement says that if, under his presidential title, Father Aristide wants to meet the major aspirations of the middle class, the urban and rural masses, and the traditional elite and devote himself to great national options through a combination of energy and intelligence mobilized in favor of the common good; if the new president commits himself, as a leader responsible for the future of 6 million Haitian people, to helping all groups, not [only] the 28 percent who went to vote, and to putting the nation back on its feet; and if he decides to divorce himself from a regrettable past marked by threats and insults, and to redefine the outlines of his social reform project, taking into account the necessity for reconciling the nation with itself, then only at that moment will the masses within the country, and the middle classes who already have patriotic faith, respect the authority of President Aristide.

Only then will the URN join a constructive opposition with any and all national reconstruction enterprises, in respect for the democratic principle of nonviolence and within the scope of a legal opposition. The URN, which claims that it has millions of members and supporters in the country, continues to assert that it is working for the people's requests for improvement of living conditions and for the economic and social restoration of the nation.

The communique, signed by Dr. Lafontant, president of URN, who claims that despite everything only one-fourth of the Haitian electorate went to vote, outlines a number of conditions on which his collaboration will depend: Once the new government, especially the president, Jean-Bertrand Aristide, decides to change his speech and behavior and sees the necessity of reconciling the nation to itself, then the URN will have no problem with collaboration.

Christian Democrats Congratulate Nation, Observers

FL2712001590 Port-au-Prince Radio Soleil Network in Creole 1200 GMT 26 Dec 90

[Excerpts] On behalf of all its members and sympathizers in the nine geographic departments of the country, the Haitian Christian Democratic Party [PDCH] doffs its hat in recognition of the will of the people who chose the candidates they wanted at all levels to represent them for the first time in Haitian history. Despite many irregularities, the people demonstrated their will. [passage omitted]

The PDCH offers its congratulations to the Haitian Armed Forces for ensuring proper security. [passage omitted] The PDCH thanks the United Nations and the OAS, which did a good job and in so doing rescued the people from Pere Lebrun [death by putting burning tires around a person's neck]. We have not forgotten that many sectors asked that we be condemned, disbanded, and judged as country sellers in 1987 when we asked that these forces come to help us with the elections. We are happy that the UN and OAS presence helped everything turn out well. We feel proud today to see that the people who were asking that we be uprooted, because of our advice concerning UN and OAS observers, are the main beneficiaries of this advice. They did not understand us. If they had, many people who fell down would not have died.

The PDCH takes off its hat and thanks the government of Mrs. Ertha Trouillot, thanking it a lot because it did not make us feel ashamed. [passage omitted] The PDCH congratulates the Duvalierist sector that respected and bowed down before the Constitution. [passage omitted]

The PDCH doffs its hat in thanks to all Haitian people for their determination, their will, and their courage so that democracy could triumph. It especially congratulates those staunch members who remain in the party even when things deteriorate. [passage omitted]

The PDCH congratulates the journalists for all their efforts in aiding this transition. The PDCH thanks them for all the help they gave them and that they gave to all

the others. Its wish is that they continue to do their job without bias so as to help the nation see more clearly every day.

In conclusion, the PDCH wants to inform the people that in the same way they stood up when Manigat came to power, they will stand up to wage the struggle. They will always be a constructive opposition in order to make the government work in favor of the people's interest. When it does well, we will congratulate it, and when it does wrong, when it does something which is not in the people's interest, we will criticize it. We will always remain firm so that the liberty and democracy we have endured since 1978 will succeed in being established in the country for the honor, the dignity, and the greatness of the whole nation.

French Ambassador Views Aristide Presidency

FL2712013590 Port-au-Prince Radio Metropole in French 1700 GMT 26 Dec 90

["Exclusive" interview with French Ambassador to Haiti Jean-Raphael Dufour by Radio Metropole correspondent Nancy Roc; place and date not given—recorded]

[Excerpts] [Roc] In an exclusive interview given to Radio Metropole, French Ambassador to Haiti Jean-Raphael Dufour voiced his opinion on the historic 16 December balloting. We also discussed what could be expected of the new government of Jean-Bertrand Aristide, as well as France's aid to Haiti and the question of Haiti's public debt to France, debt which should be officially reconsidered and perhaps canceled by the French Parliament in January 1991.

Regarding the 1990 elections, according to Mr. Dufour, the important popular participation in this ballot shows the Haitian commitment to come out of the deep crisis which the country has been experiencing for about five years. We were provided with a great lesson on 16 December. All could see everyone's ability to change a challenge into a success. [passage omitted]

The French ambassador also pointed out the exemplary attitude of the police and the Army during the voting. Finally, according to him, 16 December will be marked by the dignity of the Haitian voters. What is the meaning of a total victory by a man not even coming from a political party in comparison with the existence of several political parties since 1986 in the country?

[Dufour] I believe that President Aristide showed first his ability to rally people, his extraordinary charisma which was based on social and deeply human experience instead of political experience. The Haitian voters recognized themselves in President Aristide, found themselves in his manner of speech which deeply touches others. People also wanted to display a sort of rejection of the traditional parties, as well as their leaders. [passage omitted]

On Aristide's radicalization: If radicalization means considering the needs of the largest part of a population, then I am a radical person. If radicalization consists of considering the deep need showed by students for education, then I am a radical one. If being a radical person means being interested in hunger in shantytowns, in the mountains because of erosion and the lack of agricultural organization for better production, then I am deeply radical.

[Nancy] How do you see the current situation in relation to the man [Aristide]? How should he approach the problems in Haiti, as no miracle should be expected?

[Dufour] I cannot give advice to Aristide or his government. I think that he is inheriting a catastrophic situation on the social, economic, and money side. [passage omitted] The situation is serious and difficult. The new government will certainly have to think about the development choices that Haiti wants to take, which, of course, will take time with the parliament. Once such work is completed, the Haitian Government will evaluate its strength and see what can possibly be accomplished with Haitian resources, as well as international assistance. [passage omitted]

St. Kitts and Nevis

Islands' 1990 Economic Performance Reviewed

FL2612220090 Bridgetown CANA in English 2056 GMT 26 Dec 90

[Excerpt] Basseterre, St. Kitts, Dec 26, CANA—This 269 square kilometre federation of just 43,000 people shared many of the growing pains and achievements of sister regional states in 1990 but also claims exceptional attainment in some important respects.

Still recovering from Hurricane Hugo which in 1989 battered the important agriculture sector, including ailing sugar, St. Kitts-Nevis in 1990 grappled with sugar industry restructuring, crop diversification, electrical utility restructuring, foreign investment promotion, tourism development, illicit drugs, and violent crime.

At the same time, the country's goals were pursued with much vigour regionally and internationally, achieving among other things acceptance as hosts of Caribbean Community (Caricom) leaders for their 12th summit conference July 1991.

Entering the year with 1989 estimated economic growth of three per cent, down from the 4.7 per cent of the previous year, St. Kitts-Nevis was projected to show at best marginal increase in real growth. Sugar production was expected to slump under hurricane damage, declining cane yields, and a recurrent labour shortage.

Construction, both for replacement of housing stock and hotel projects, and the fruition of tourism promotion efforts, were expected to provide much of the economic

activity, given the problems of agriculture, and weak demand for local manufactured goods in depressed regional markets.

Despite improvement in government finances in difficult conditions in 1989, the same success could not be guaranteed this year, with the economy probably not increasing its growth rate. But even as larger regional partners found fiscal excesses returning to haunt in the form of destabilising deficits, the government here was receiving World Bank-International Monetary Fund (IMF) plaudits in May for its developmental and fiscal programmes.

Prime Minister Kennedy Simmonds could present the 1991 budget in December with the boast that "fiscal performance has been sound, the public debt continues to be quite manageable, and inflation has not been allowed to get out of control." His EC 184 million dollars (one EC dollar = 37 U.S. cents) budget included no new taxes, relying instead on increased electricity rates, higher property taxes, and more vigorous tax collection to achieve a projected seven million dollars increase in revenue.

However, while the fiscal position appeared secure, important measures had to be taken in productive sectors, sugar prominent among them. In February, the state-owned St. Kitts Sugar Manufacturing Corporation announced controversial plans to recruit non-resident workers to fill a shortfall of 400 harvesters for the 1990 sugar crop, expected to be down 25 per cent from hurricane damage. Vincentian workers were eventually brought to help local workers in the harvest.

The industry arranged a six million dollar advance from Bookers of London, and the World Bank also committed itself to meet the recruitment cost of foreign labour for the harvest and to fund a review of the industry. With production closing at only 15,627 tonnes, against 24,055 in 1989, Simmonds announced that the government was considering foreign participation, not necessarily ownership, in the industry and was already talking with Bookers.

Late in the year the government also announced plans to transform the electricity department into a public corporation responsible for nationwide electricity generation and distribution. It linked the decision to a need to improve efficiency and profitability in the system in view of increasing demand for service. Nearly EC 40 million dollars of the 85 million projected total capital expenditure for 1991 is allocated to projects in the electricity system.

Earlier, commitments and indications of possible capital funding for physical infrastructure came from the European Community and France. St. Kitts-Nevis was also allocated EC 11 million dollars under the Lome Four Convention between the EEC and African, Caribbean, and Pacific Countries. The allocation includes 8 million dollars in grants and three million for private sector investment and development projects.

In addition to an agricultural diversification project, covering a sugar management and rationalisation programme, on which the World Bank had spent U.S. 400,000 by October, a loan was being negotiated from the bank to finance equipment and technical assistance for the sugar industry.

During the year St. Kitts-Nevis also became the 32nd member country of the Inter-American Institute for Cooperation on Agriculture (IICA) and received an initial grant of computer equipment. [passage omitted]

El Salvador

FMLN Communique Reassesses Year-End Truce

PA2612221290 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 25 Dec 90

["Communique" issued by the Farabundo Marti National Liberation Front (FMLN) Paracentral Front; place and date not given]

[Text] Communique from the Paracentral Front to the people and the international community:

The Joint Command of the Paracentral Front of the National Army for Democracy declares:

1. Taking advantage of the FMLN gesture of peace and goodwill to expand the truce on 24 and 31 December throughout the country, the antidemocratic Armed Forces launched an indiscriminate bombing attack with two A-37 planes on 24 December at 2300. It fired more than 12 rockets and dropped eight bombs on the Soledad and San Bartolo Cantons in Tecoluca in San Vicente Department, endangering the lives of the residents and destroying crops.

2. This act by the Air Force, directed by the High Command, clearly shows the warmongering and militarist attitude of the Cristiani government, which in this way, responds to the FMLN's overture of peace and goodwill. It also shows that the Cristiani Government does not heed the petitions of the UN secretary general and the archbishop of San Salvador.

3. In view of this militarist action by the Cristiani government and its Armed Forces, the Joint Command of the Paracentral Front is consulting with the FMLN General Command to reassess the year-end truce throughout the country.

For a 1991 with democracy and demilitarization, comrades of the Anastasio Aquino Paracentral Front.

FMLN Threatens To End Truce

PA2612150690 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 26 Dec 90

[Text] Salvadoran guerrillas have warned that it will end the truce if the Armed Forces do not cease attacks on the community, adding that it reserves the right to launch a new offensive. An urban guerrilla member stated, through a telephone call, that the Army has continued its repressive actions. We demand that the attacks on the people cease, the rebel said. He called the Armed Forces' conduct hypocritical, because the Armed Forces talk of peace while it carries out an extensive military operation in the nation, he added.

The FMLN [Farabundo Marti National Liberation Front] is upholding a four-day truce only in San Salvador, in response to requests by local religious, humanitarian, and union organizations. The Christmas truce started at 0600 on 24 December and concluded at 1800 on 25 December. The same schedule will be implemented on 31 December and 1 January. [paragraph as heard]

Meanwhile, the Army is carrying out an extensive search operation, especially in San Salvador, looking for explosives, weapons, and rebels.

FMLN Reports Air Force Bombing

PA2612183890 Paris AFP in Spanish 1538 GMT 26 Dec 90

[Text] San Salvador, 26 Dec (AFP)—The fighting in the past five days in Chalatenango Department has left a casualty toll of 41, counting those dead or wounded, among the government troops, the Farabundo Marti National Liberation Front (FMLN) reported on 26 December. The guerrillas ordered a 24-hour truce on Christmas in response to a request by the Catholic Church and suspended sabotage activities until 1 January 1991.

The FMLN today reported, however, that the Air Force bombed rebel positions in San Vicente Department on the night of 25 December. Owing to the bombing, the Paracentral San Vicente Front asked the FMLN General Command to reconsider the unilateral truce the guerrillas had declared for 31 December and 1 January.

On 20 December, the government began an operation in Chalatenango towns to dismantle the rebel movement, which had launched a nationwide offensive in November. Participating in the Army offensive are soldiers from the elite Atlacatl Battalion, Military Detachment No. 1, and the 4th Infantry Brigade. In the past month, the fighting in Chalatenango has grown fiercer. In the first half of December, elite Bracamonte Battalion soldiers were overwhelmed by the rebels, and the soldiers, many of them wounded, fled to the border with Honduras seeking sanctuary.

FMLN: Government Ignoring Truce

PA2712000590 Mexico City NOTIMEX in Spanish 2059 GMT 26 Dec 90

[Text] San Salvador, 26 Dec (NOTIMEX)—Rebel sources reported here today on fierce clashes that have resulted in at least 41 Army casualties over the past five days in Chalatenango Department, in northern El Salvador.

Meanwhile, the Army Press Office has confirmed that since 20 December, troops of the Atlacatl Battalion of Military Detachment No. 1 and of the 4th Infantry Brigade are conducting intense counterinsurgency operations in that part of the country.

The Armed Forces have not yet revealed the results of the operations. The guerrillas issued a communique, however, affirming that they inflicted 25 casualties on the Atlacatl Battalion, 11 on the 4th Infantry Brigade, and 5 on Detachment No. 1.

In a war bulletin broadcast over the Clandestine Radio Farabundo Marti, the rebels claim that on 24 December they turned over three soldiers taken prisoner in the town of San Miguelito to humanitarian institutions.

Although the FMLN [Farabundo Marti National Liberation Front] decreed a unilateral truce on 24 and 25 December, it stated that six of the casualties suffered by the Army were inflicted during that period because of th government offensive.

In the same broadcast, the Anastasio Aquino Paracentral Front said that, "the Air Force, ignoring the FMLN's peace gestures, on 24 December launched an aerial bombing attack on two towns in the central department of San Vicente."

It said that "this act clearly shows the warmongering and militarist attitude of Alfredo Cristiani's government and the little value it places on the requests for a truce by the United Nations and the Catholic Church."

Meanwhile, the Joint Command of the Modesto Ramirez Central Front reported that the Army has evacuated its wounded in vehicles bearing the International Red Cross markings, but with no license plates. The Modesto Ramirez Central Front said: "We ask humanitarian institutions to clarify situations of this kind in which they are implicated, and demand that the government and the Air Force respect the institutions' emblems, personnel, and structure."

Commenting on recent actions by the FMLN urban commandos in San Salvador, the guerrillas said that on 22 December they inflicted four casualties on troops of the Bracamonte Battalion in the Escalon neighborhood, north of San Salvador.

The guerrillas also reported that on 23 December they distributed foodstuffs in the Emmanuel shantytown, northwest of San Salvador, as part of "a campaign of commandeering and distributing groceries" which their urban groups have conducted over the past few days.

Guatemala

Two Civilians, One Officer To Be Extradited

PA2512181790 Guatemala City SIGLO VEINTIUNO in Spanish 24 Dec 90 p 3

[Text] President Vinicio Cerezo Arevalo has announced that two civilians and one Guatemalan Army major will be extradited to the United States to be tried for drug trafficking.

The president reported that a day before the United States announced its decision to cut off military aid to Guatemala, Major Ochoa was given a dishonorable discharge for his illegal international drug trafficking activities. Cerezo did not report the names and positions of the two civilians or further information on the discharged officer. The president said that this information will be given to the Guatemalans in due time.

Cerezo stressed that the Guatemalan Army's prestige as an institution cannot be tarnished because one of its members commits illegal actions. Thus, he added, any officer involved in illegal activities will be punished.

The three people charged with drug trafficking are under court orders and, in accordance with bilateral agreements, the procedures for their extraditions have already been initiated. The U.S. Government requested the extradition of the mentioned individuals so they could stand trial for drug trafficking in the United States.

Cerezo said he was surprised over the U.S. Government's attitude in suspending military aid to Guatemala. He noted that the Guatemalan Government's action in this case confirms that it always has responded to U.S. requests.

Repression of Student Movement Discussed

PA2612234690 Havana International Service in Spanish 0100 GMT 25 Dec 90

[Interview with student leader Arturo Arancibia by Ramon Chong in Havana; date not given—recorded]

[Text] [Chong] Latin American students are seriously hindered by economic problems. We wonder how these problems affect the student movement of a country where a war of liberation is being fought. We asked Guatemalan student leader Arturo Arancibia:

[Arancibia] The situation for Guatemalan students is really critical from several points of view. From the economic point of view, Guatemalan students and young people in general are going through a very bad economic situation. Young people have very little access to education because they usually do not have the means or the resources to meet even the basic needs to survive. The country is in the midst of a war that started in 1954, when the CIA intervened and destroyed the democratic revolutionary process that had begun 10 years before.

Besides having great economic limitations, the Guatemalan students are also brutally persecuted. The repression against students usually becomes evident when they actively participate with low-income sectors in activities to demand benefits, such as better living conditions and the right to receive education, jobs, food, etc.

[Chong] I understand the number of Guatemalan students who have disappeared due to death squads has also increased?

[Arancibia] Correct. I would say that between 5,000 and 8,000 students have been murdered or kidnapped since 1954. To give you an example, a little over a year ago, in August or September 1989, all 14 members of the University Students Association's Executive Coordinating Commission were abducted. The tortured bodies of five of

these students were found approximately 100 meters from the university campus at a later date. The rest of the commission members have still not reappeared.

Such a situation has caused the Guatemalan student movement to lose strength. The student movement requires political space and lack of repression to become organized and actively participate in society as a group. The Guatemalan student movement has had problems organizing because as soon as the government's security forces become aware that the organization is consolidating, the repression against the student movement begins. For example, bombs are placed on the university campus or on buses that take the students to the campus, students are indiscriminately machine-gunned at the universities, student abductions and torture increases, etc. Such repression, as well as constant psychological repression, causes the student movement to decline.

[Chong] We thank Guatemalan student leader Arturo Arancibia for the interview he has just given Radio Havana Cuba.

Honduras

Morazanist Patriot Front on Economic Measures

PA2512235590 Tegucigalpa LA TRIBUNA in Spanish 24 Dec 90 p 73

[Statement issued by the Morazanist Patriotic Front (FPM); place and date not given]

[Text] In December 1990, we, the Morazanist patriotic commandos, held a solidarity drive with our people and against those who, disregarding the Honduran people's suffering and oppression, make dirty deals protected by the government policy of the National Party of Honduras, which is expressed in the so-called "adjustment of the economy's structure."

We maintain that this policy has been imposed and that its main objective is to favor the wealthy at the expense of the misery and hunger of the great majority, comprised of the country's destitute.

We hereby warn the sectors in power that their hegemony is coming to an end and that, although they are still deceiving a greater number of the people with their organization of power, the signs of the people's awakening are evident. When this awakening is complete, no one will be able to stop us.

We are organized into detachments of Hondurans who, just like Jesus Christ and our supreme commander Jose Francisco Morazan, are determined to struggle to improve the living conditions of the Honduran poor.

We want to make it clear that our poverty and misery are not God's design because, like every good father, He does not want His children to live amid deplorable conditions. Consequently, the crisis of the poor is the result of an unfair and inhuman political and economic system. Our struggle intends to change this preestablished order.

Today more than ever, we, the poor, are suffering the consequences of the merciless and inhuman excesses of the wealthy and the bureaucrats. We want to say, however, that no one who acts treacherously and opportunistically against the people will escape God's justice, which is the people's justice.

In addition, our struggle is directed at imperialism, its forms of expression, and everything else that increases the poverty and misery of our people.

For life, we will fight to the end!
The people will win!
The FPM

Bombs Reported in Tegucigalpa, San Pedro Sula

PA2712015890 Mexico City NOTIMEX in Spanish 2304 GMT 26 Dec 90

[Text] Tegucigalpa, 26 Dec (NOTIMEX)—The wave of violence that has shaken the largest Honduran cities over the past three weeks continued today. The police were deployed as a result of two reports of planted bombs in the capital and San Pedro Sula.

The Tegucigalpa Police Bomb Squad this afternoon mobilized to defuse an explosive device that, according to a telephone call, had been planted in a hardware store in the center of the city. The report caused a large mobilization, which resulted in nearby streets being blocked off. The hardware store is located one block from the Honduran Presidency, where President Rafael Callejas this morning met with his key advisers.

Last Sunday, a bomb did considerable damage to a store located a block away from the hardware store.

Tegucigalpa and San Pedro Sula, the country's largest cities, have experienced at least three dynamite attacks in less than three weeks.

During a joint Public Security Force [Fusep] and Army operation on Saturday, two individuals were arrested, reportedly after planting two home-made bombs in a Tegucigalpa mall.

Fusep has held Juan Jose Baca Nunez and Marco Tulio Funez Duarte, respectively the training secretary and a member of the Union of Workers of Beverage and Related Industries [Sindicato de Trabajadores de la Industria de Bebidas y Similares—STIBYS], as the individuals suspected of planting the bombs. Javier Aguilar, the magistrate handling the case, has said that, should Nunez and Funez be found guilty, they could be sentenced to 15 to 20 years in prison.

In San Pedro Sula, a telephone call this afternoon advised that a bomb had been planted in a bank branch

office. The police ordered the building vacated and searched it, but found nothing unusual.

Nicaragua

Godoy Reportedly Presses for Power in 1991

PA2612232290 Managua EL NUEVO DIARIO in Spanish 23 Dec 90 p 1

[Report by Gilberto Rodriguez]

[Text] Esteli—Nicaraguan Vice President Virgilio Godoy has called on his followers to intensify the struggle to reach power in 1991—power that was taken away from him—so there will be neither more bureaucrats like Antonio Lacayo nor more generals whose bodyguards kill "children."

He made these remarks during a meeting at the Esteli Cattlemen's Association on 22 December with activists, mayors, PLI [Independent Liberal Party] leaders, and deputies who support Godoy, all of whom demanded that President Violeta Chamorro swear in Godoy as vice president; otherwise, all of the mayors of the country will declare a strike.

Godoy said that the yes vote of 69 deputies on the presidential veto is equivalent to spilling $70 million out into the streets for the Armed Forces to waste on bullets and to use in actions such as those perpetrated in Jalapa, Nueva Guinea, which he implied were provoked by former contras and UNO [National Opposition Union] extremists.

The vice president called on his followers to keep pressing their demands until the government makes good on its promises to them. He said that this pressure must be carried out at working centers, homes, churches, schools, and highways, "because this is an all-out struggle."

Godoy also said that it is necessary to reinforce the National Movements for the Salvation of Democracy and organize everywhere. He said he is willing to die with the people of Segovia despite the poised knives. He added that there are some who are expert at stabbing people in the back. The people will hold out, however, "come hell or high water. They will never surrender."

Just so it does not go unnoticed, Godoy was accompanied by Jaime Zeledon Benavides; a contra leader also known as Bolivar, the Tremendous One; Dr. Jose Simon Delgado of the PLI branch in Esteli; and politicians Braulio Lanuza and Roger Castillo. Other state officials of the region walked back and forth and drank without paying attention to what Godoy and his followers said.

Argentina

Iraqi Ambassador Reassigned, Leaves for Home

PY2612182690 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1054 GMT 26 Dec 90

[Text] Buenos Aires, 26 Dec (NA)—Iraqi Ambassador to Argentina Taha al-Basri has ended his mission here and will return to his country at the beginning of January.

The diplomat will bid farewell to President Carlos Menem at a special audience that has yet to be scheduled. The Iraqi diplomatic mission in Argentina will be reduced to a single official after the departure of al-Basri. Taha al-Basri has been designated ambassador to Italy.

Argentine diplomatic sources said that the Argentine mission to Iraq will also be reduced to a single official.

Police Seize 110 kg of Cocaine in Two Raids

PY2112025090 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2200 GMT 20 Dec 90

[Excerpt] Buenos Aires, 20 Dec (NA)—About 110 kg of cocaine was seized this afternoon by federal police officers in two raids carried out almost simultaneously in a downtown parking lot and an apartment building in Palermo District. A Bolivian reportedly linked to the Cali Cartel was arrested.

The raids, led by Inspector Miguel Amigo and Deputy Inspector Carlos Pardal from the Drug Superintendency, were carried out after five months of police investigations, including the interception of communications between drug traffickers from Bolivia and Colombia.

In the first raid, carried out in a parking lot at the intersection of Esmeralda and Paraguay Streets, the police found 50 packages of cocaine inside a Fiat Regatta. The packages were meticulously placed inside two briefcases.

The briefcases were hermetically sealed, and police officers had to break the locks. They then discovered the packages, which were estimated to weigh about 50 kg total.

While awaiting the arrival of Federal Judge Martin Irurzun, who ordered the raids, the police experts carried out a preliminary analysis of the seized drugs. They discovered that it was "very pure" cocaine, as they reported to the NOTICIAS ARGENTINAS news agency.

An individual—reportedly a Colombian—was arrested, but personal data on the suspect has not been released by the police. This person arrived at the parking lot while the officers were preparing to carry out the operation.

Almost simultaneously, federal police officers carried out another raid on an apartment at 2400 Coronel Diaz Street in the Palermo District of Buenos Aires, where they discovered 59 kg of cocaine and arrested a person as they awaited the arrival of Judge Irurzun.

The judge arrived in the building shortly before 1800, after the completion of the raid in the downtown area, and packages found on top of a wardrobe in one of the apartment's rooms were inspected.

Deputy Inspector Carlos Pardal, who is conducting the investigations, announced that 59 packages containing approximately one kg of cocaine each were found.

A Bolivian was also detained while the judge was present. It has been leaked unofficially that this person is reportedly a member of the powerful Cali Cartel, one of the most dreaded Colombian drug-trafficking organizations. In the apartment the police also found a 9mm pistol similar to those used by the police, a revolver, and a clip for a FAL rifle. Curiously enough, the clip was attached with insulating tape to a Havana cigar and a bulb of garlic.

A Spanish-made M-5 EA hand grenade was also found. The police officers involved in the raid were initially afraid that the grenade would go off, so bomb squad personnel deactivated it. Judge Irurzun and the other police officers participating in the operation then entered the apartment. [passage omitted]

Bolivia

Army To Subordinate Needs to Budget Limitations

PY2412142890 La Paz La Red Panamericana in Spanish 1130 GMT 24 Dec 90

[Text] Army Commander General Diego Sandoval has said that Army economic requirements for 1991 will be adapted to the limitations of the National Treasury. Sandoval added that the Army will subordinate its requirements to the budget, despite the fact that its needs greatly surpass the possibilities.

Comparing this year's budget with what they can expect for 1991, Sandoval said that last year the branch was able to fulfill its job despite the critical economic situation. Sandoval said that the Army became involved in productive activities as a way to help pay for their needs, adding that results in that area are encouraging.

Sandoval said that the item that helped the Army budget the most was the exploitation of sugarcane plantations in the Tarija and Santa Cruz Departments. Sandoval added that the Army also obtained good results from the car manufacturing plant.

Asked about the possible purchase of new weapons, he said that, given their budget limitations, the Army is not considering new arms purchases for the time being. The Army commander added, however, that they will put into operation a repair shop where important materiel will be repaired.

Senate Approves Armed Forces, Police Promotions

PY2512182090 La Paz PRESENCIA in Spanish 19 Dec 90 p 12

[Text] Last night the Bolivian Senate approved President Jaime Paz Zamora's promotion proposals. After a closed-door session that lasted over three hours the senators confirmed all the promotions proposed by the executive branch, including the promotion of Walter Molina Rea to the rank of colonel DAEM [Graduate of the National War College] and of Felix Lora Caballero and Jaime Cespedes Barrientos to police generals.

According to the official list of promotions, the following officers will be promoted to the rank of division general or vice admiral:

Army

1. Brigadier General Oscar Escobar Quiroga
2. Brigadier General Oscar Vargas Lorenzetti
3. Brigadier General Hernan Lara Paravicini
4. Brigadier General Luis Lopez Bacigalupo
5. Brigadier General Victor Vargas Salgueiro
6. Brigadier General Julio Loayza Valda
7. Brigadier General Juan Vera Antezana

Air Force

1. Brigadier General Freddyu Carazas Asturizaga
2. Brigadier General Alcides Pardo Antelo

Navy

1. Rear Admiral Rolando Herrera Alba
2. Rear Admiral Miguel Alvarez Delgado
3. Rear Admiral Freddy Lopez Arispe

The following officers will be promoted to the rank of brigadier general or rear admiral:

Army

1. Colonel DAEM Oscar Roca Mejia
2. Colonel DAEM Reynaldo Caceres Quiroga
3. Colonel DAEM Remberto Lopez Valle
4. Colonel DAEM Edmundo San Martin Ballivian
5. Colonel DAEM Viterman Ruiz Baldiviezo
6. Colonel DAEM Alfredo Ampuero Angulo
7. Colonel DAEM Jose Cardenas Salinas
8. Colonel DAEM Moises Ponce de Leon Lino
9. Colonel DAEM Walter Villarroel Kirwood
10. Colonel DAEM Gonzalo Block Melgar
11. Colonel DAEM Mario Morales Murillo
12. Colonel DAEM Roberto Lafuente Canelas
13. Colonel DAEM Emilio Luizaga Guzman
14. Colonel DAEM Carlos Pena y Lillo Salas
15. Colonel DAEM Walter Molina Rea

Air Force

1. Colonel DAEM Jose Fernando Perez Reyes Ortiz
2. Colonel DAEM Roberto Palenque Gutierrez
3. Colonel DAEM Freddy Angulo Urquidi
4. Colonel DAEM Rafael Pabon Ortuno
5. Colonel DAEM Jose Montero Zankyz
6. Colonel DAEM Emilio Antelo Pereira
7. Colonel DAEM Rogelio Cadena Larrea
8. Colonel DAEM Arturo Camacho Rodriguez

Navy

1. [number as published] Ship-of-the-Line Captain DAEM Julio Molina Padilla. The senate had actually approved Capt Molina's promotion last week.

The promotion of police Colonels Felix Lora Caballero and Jaime Cespedes Barrientos to the rank of general was also approved.

Military Commander on Integration, Role

PY2312223290 La Paz EL DIARIO in Spanish 9 Dec 90 Second Section p 4

[By Victor Hugo Rodriguez]

[Excerpts] [Passage omitted] The contents of the so-called "Declaration of La Paz" reveal that the fourth Andean Pact presidential council meeting had the visible objective of reviving what has been sarcastically referred to as the "Andean Pact." The meeting, which was recently held in La Paz, was attended by Bolivian President Jaime Paz Zamora, Ecuadoran President Rodrigo Borja, Peruvian President Alberto Fujimori, Colombian President Cesar Gaviria, and Venezuelan President Andres Perez. [passage omitted]

We interviewed the Bolivian Armed Forces commander in chief, Army General Jorge Moreira Rojas, who referred to the issue from the viewpoint of specialized technical support that the military sector can provide.

He said: "We should not forget that in all countries, the Armed Forces are an integration factor. Consequently, the Armed Forces must participate in multilateral projects that promote development and relations between nations."

He explained: "The various areas that the Andean Pact deals with, such as the economy, industrialization, free trade, and tariff reductions, are undoubtedly vital for interconnecting programs and projects. The Armed Forces, however, are particularly interested in building highways that will promote integration."

The commander in chief maintained that the enforcement of security measures, even though they will not be of a military type, should lead all Andean Pact countries to assume their responsibility through their institutions. Their action should aim at strengthening subregional security.

Concerning specifically technical matters, he reported that there are exchanges between the Bolivian, Peruvian, and Ecuadoran Armed Forces, and that the three countries reciprocally train their officers in technological areas as required by current scientific progress. Negotiations are under way to sign agreements with Venezuela and Colombia to expand this cooperation.

He added: "The whole range of military activities leads us to the conclusion that the Armed Forces are a true integration factor because our mission is to know our own territory and to dominate it, studying its anthropological, socioeconomic, and cultural features, and identifying action to be taken to promote the development of each country and, in this case, of the Andean Pact."

He noted: "We know the remotest areas of our territories. In the areas where our territory ends and other nations' territories begin, we meet with military men from neighboring countries, with whom we review our common needs. This is an initial form of integration. This is why I believe the next Andean Pact meeting should also analyze the security issue, which, as everyone knows, is a sensitive and broad issue."

He reported that six months ago, the Bolivian Armed Forces suggested that the Andean countries hold a military meeting to address security issues, adding that this proposal has not been ruled out and the meeting could be held in La Paz next year, provided there is financial support. Moreira Rojas explained that the preliminary steps will consist of bilateral and trilateral meetings followed by an Andean "summit."

He said the tentative agenda should include issues that are decisive for the future because "our countries are going through their socioeconomic development processes at a time when specialized institutions all over the world are adopting new concepts and new technical approaches. We, the military, also believe that we are a factor for development, integration, and participation." [passage omitted]

Arms Buildup?

Asked about the military buildup in more than one country in this part of the continent and about the action Bolivia has undertaken to balance some sectors and modernize Bolivian military equipment in order to catch up with current technical and technological developments, the commander in chief replied:

"There are three South American countries whose military industry is at an advanced stage. The reason for this is that those nations, which are arms manufacturers, have adopted modern techniques to offer modern, good-quality products, as is done on the world market."

He added that in the case of Chile, it has a highly developed military industry that has been strengthened by exports of over $300 million per year to other countries, including those over the ocean. "We should not forget that Chile sells fruit worth over $240 million per year. This can give an idea of the economic and financial possibilities of this neighboring country."

"As for our country, I believe we should begin by improving our economy in order to end underdevelopment. While we are going through this process, we should also try to replace our military equipment and our means in order to have a fully trained, very professional Army. This is the type of training we routinely give our officers and NCO's [noncommissioned officers]. In keeping with our own possibilities, materiel selected by the Armed Forces should be replaced," he said, adding that this is a matter that lends itself to long analysis and deserves full-time attention.

The Balance of 1990

Moreira said that under his command, the organization of the Army, Air Force and Navy has been strengthened during 1990, adding that "the Armed Forces are the pillars of democracy." "We increased the number of divisions, air brigades, and naval districts."

He said that at the same time, studies were undertaken for reformulation of the jurisdiction of each military level, rank, and hierarchy. Management of military personnel has been improved based on a modern concept of promotions and the distribution of human resources according to qualifications and merit. [passage omitted]

Justices on Trial To Open Court Session 2 Jan

PY2112171290 La Paz Radio Fides in Spanish 1100 GMT 21 Dec 90

[Text] The eight Supreme Court justices who are being tried by Congress have decided to inaugurate next year's judicial session on 2 January in the most appropriate place, if the Patriotic Agreement does not allow the ceremony to take place in the capital of the republic.

Edgar Oblitas has rejected the Senate's resolution that calls for the confinement of the eight justices in La Paz.

Gonzalo Valda, Senate president and high-ranking Patriotic Agreement leader, has asked that a decision be made today on whether to temporarily lift the confinement of the eight judges for Christmas.

[Begin Valda recording] Confinement presupposes that the justices must remain in La Paz while the impeachment hearing is going on. We are considering the senators' request and will most probably make a decision tomorrow on whether the confinement will be lifted for Christmas, which is essentially a family affair. If we reach an agreement, we will make it public tomorrow. [end recording]

Federation Reports Militarization of Chapare

PY2312225890 La Paz PRESENCIA in Spanish 16 Dec 90 p 7

[Text] (ANF)—On 10 December, 36 Army trucks carrying about 40 troops each surrounded the Chapare area from the Cristelmayo Region to the Sinaota Region.

This was reported by coca leaf production federations, which stated that Army troops have occupied the Cochabamba high tropical region since 10 December.

The Bolivian Labor Federation [COB] confirmed this report in a letter it sent to Defense Minister Hector Ormachea on 16 December.

The letter stated that local settlers are worried about this incident because it means the executive branch is violating agreements signed with the COB establishing the nonmilitarization of coca-producing areas.

The COB added that the Army troops must immediately withdraw from the area in compliance with the agreements signed with the COB.

The COB letter seems to indicate that the military units are holding training exercises in the Chapare Region. It reminds Defense Minister Ormachea that he promised to instruct the Army commander to refrain from holding maneuvers to avoid unrest.

The COB states: "Contrary to what the defense minister said, militarization of the region is taking place. Military troops stationed on the roads from the Cristelmayo Region to the Sinaota Region clearly confirm reports submitted by the coca leaf producers."

'Great Success' in Coca Eradication Reported

PY2312232890 La Paz PRESENCIA in Spanish 16 Dec 90 p 1

[Text] The unexpected commercial activity recently observed in the towns of Isinuta, Sinahuta, Isiboro, Ivirgarzama, and other towns in the tropical Chapare Region of Cochabamba Department has been significantly reduced. Special Antinarcotics Force [FELCN] Commander Colonel Carlos Velasco Bejarano has reported that only "the population dedicated to farming remains in these towns."

"The unexpected commercial activity that existed there some time ago no longer exists," he said, adding that drug-trafficking activity has "diminished significantly." Velasco inspected some FELCN installations in Chimore and in the tropical Chapare Region.

He said the "Together We Will Prevail Operation" is still going on and "great success" has been achieved in its last stage "involving cocaine market eradication and control" in the zones described as "red" zones.

"The floating population, which is dedicated to drug trafficking, has gradually abandoned these towns," Velasco reported. "The permanent population, which is dedicated to farming, is participating in and benefiting from the civic action work carried out by UMOPAR [Area Police Patrol Unit] and the DEA.

Decisions were also made on controlling the floating population's movement toward other areas of the national territory, Velasco said. The FELCN believes that the population dedicated to cocaine production and commerce will try to sell its product at some time.

He said that the main measures adopted by the force are those connected with the exchange of information and coordination of control actions among district forces in Cochabamba, Beni, and Santa Cruz Departments. Based on the information available on market and migration flow, drug-trafficking activities still can be detected in the country.

Col. Velasco said: "Civic action and medical services for the population have yielded good results."

Finally, he said that for the time being, UMOPAR forces are capable of deploying, fighting, and controlling drug trafficking. "We do not see a need for the Army to enter the Chapare Region right now," Velasco said.

Antidrug Meeting Held With Argentina, Paraguay

PY2212154090 La Paz Radio Fides in Spanish 1100 GMT 20 Dec 90

[Relay from Santa Cruz by Nathaniel Alvarez]

[Text] Argentina, Bolivia, and Paraguay yesterday agreed to implement several joint measures designed to improve the antidrug struggle in all three countries. These agreements were signed at the end of the second meeting of representatives from antidrug agencies in the three countries.

The representatives voiced their preference for cooperation on an equal footing with the other nations as far as the struggle against narcotics was concerned. Bolivia and Paraguay will join an Argentine-Uruguayan antidrug plan and representatives from the two countries stated their satisfaction with services rendered by an Argentine antidrug training school in Buenos Aires.

The antidrug agencies of Argentina, Bolivia, and Paraguay will implement a system for the direct exchange of information related to drug trafficking and will test this mechanism in a joint operation that will take place in March 1991.

Argentina asked Bolivia and Paraguay to exercise more control over their borders to curb the smuggling of Argentine cars into the other two countries because those vehicles are usually exchanged for drugs. The representatives of the three countries also called for better control of third-country nationals, who enter Argentine, Bolivian, and Paraguayan territory in order to keep an eye on members of international drug rings.

The meeting decided to postpone any decision on the laundering of drug money until two other international meetings on this issue take place.

On the subject of chemical precursors for the manufacture of narcotics, the representatives said that they are waiting for the conclusions of yet another international meeting. Bolivia, however, asked Argentina to provide it with advance notice of sales of chemical products in order to improve binational control over these products.

The meeting approved several recommendations and resolutions aimed at stepping up prevention of drug abuse and adjusting the antidrug laws of the three countries to meet the provisions of the Vienna Convention. The next meeting on this issue will take place in Buenos Aires on a date that is yet to be established.

Argentina, Bolivia Reach Drug Control Agreement

PY2212154290 La Paz Radio Fides in Spanish 1100 GMT 21 Dec 90

[Relay from Santa Cruz de la Sierra by Nathaniel Alvarez]

[Excerpt] [Passage omitted] In addition to the antidrug agreements signed between Argentina, Bolivia, and Paraguay on 19 December, the first meeting of the Joint Bolivian-Argentine Commission for Drugs concluded on 20 December with the signing of new bilateral agreements.

The two countries will exercise greater control on their borders and at airports and private airstrips in order to prevent drug trafficking.

Bolivia expressed its concern about illegal weapons trafficking from Argentina and called for more effective control by the neighboring country's government. In response, the Argentine delegation asked for more frequent information on actual cases in order to carry out thorough investigations.

Each delegation submitted to each other draft agreements and legal instruments on controlling trafficking in chemicals so they can be studied at the next meeting. The possibility of installing common border posts to control drug trafficking and verification by joint special organizations next year will also be studied.

The agreements also include binational measures for alternative development and control that were signed by Bolivian Social Defense Secretary Gonzalo Torrico and Alberto Lestelle, Argentine under secretary for the prevention and repression of drug trafficking. [passage omitted]

Officer To Join Argentine Antarctic Campaign

PY2412004290 La Paz Television Boliviana Network in Spanish 0030 GMT 20 Dec 90

[Excerpt] In response to an official Argentine Government invitation, the Bolivian Navy will participate in the Argentine Navy's Antarctic summer campaign, which will take place between 19 February and 19 March 1991. This will be the first time a Bolivian Navy officer will join a scientific undertaking of this nature. The two governments believe that the experience the officer will acquire will give the Bolivian Navy a better knowledge of the southern continent and will strengthen existing close bilateral friendship and cooperation ties. The Antarctic campaign will take place aboard the ARA Admiral Irizar icebreaker. Bolivian Navy Commander-in-Chief Admiral Jose Anibal Gutierrez Chavez designated Ship-of-the-line Lieutenant Emilcar Morales Abasto, who specializes in hydrography, to participate in the campaign. [passage omitted]

$100 Million Loan Deal Signed With Spain

PY2512181890 La Paz PRESENCIA in Spanish 18 Dec 90 p 1

[Excerpt] A basic agreement has been signed in which the Spanish Government will grant a $100 million loan to Bolivia. The resources will be used to implement projects in the social and health areas, as well as for roads and telecommunications.

The agreement was signed at the Central Bank by Bolivian Central Bank President Raul Boada and Spanish Embassy Charge d'affaires Juan Jose Herrera.

The ceremony was authorized by Executive Decree 22676. This loan had previously been announced during the visit of President Jaime Paz Zamora to Spain in April.

The $100 million that is offered by the Spanish Government is provided by the Development Aid Fund and is granted with special conditions: It has a 25-year maturity, a 10-year grace period, and interest rates that vary from 3.5 to 4.5 percent.

After the ceremony, Boada thanked the Spanish Government for its financial assistance. He added that the funds will be used to implement projects in the areas of telecommunications, television, irrigation, and military hospitals. [passage omitted]

Brazil

Congress Approves Budget, Expenditures Bill

PY2112153490 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 18 Dec 90 p 1

[Text] The 1991 draft budget bill was approved yesterday in an agreement between the congressional leaderships. Revenues and expenditures are estimated at 52.6 trillion cruzeiros. The 1991-1995 multiyear expenditures plan was also approved. The two draft bills were only approved after acceptance of a workers party demand for the allocation of 392 billion cruzeiros for education, health, and agrarian reform.

Congress Approves Supplemental Credit for Debt

PY2112184490 Rio de Janeiro O GLOBO in Portuguese 19 Dec 90 p 31

[Text] At 2355 on 17 December, minutes before beginning its recess, Congress approved a supplemental credit of 12.2 trillion cruzeiros, which was requested by Economy Minister Zelia Cardoso and President Fernando Collor. The federal budget will thus have allocations for the entire federal public debt, including

allocations and amortizations corresponding to the blocking of new cruzados in March and the rest of the debt owed on securities.

Rio de Janeiro federal Deputy Cesar Maia (PDT) [Democratic Labor Party], who was designated budget committee coordinator, has reported that the government now has the authorization to issue securities to guarantee a rescheduling of the debt over the next few months.

Maia explained: "Those 12 trillion cruzeiros are actually only a correction of the federal public debt up to December 1990. This amount will not solve the problem for 1991. At the end of the congressional recess, the executive branch is likely to ask for more supplemental funds."

The government's estimated budget for 1991 provides 2.1 trillion cruzeiros for amortization and allocations (interest) for the public debt—including disbursements in new cruzados—based on prices that were in force in May. Maia, however, warned that this amount will be insufficient for the disbursements in new cruzados that will be converted into cruzeiros as of September 1991. A rapid calculation based on a 140-percent consumer price index (CPI) inflation rate between May and December 1990 (estimating 16 percent inflation for December) shows that the amount to be disbursed as of 1991 will be 5 trillion cruzeiros [number as published], based on prices in December 1990.

If we use the 243-percent inflation rate provided for in the 1991 budget, the 5 trillion cruzeiros figure will become 12 trillion cruzeiros at the end of 1991, in the event government estimates prove true. Cesar Maia said this is why the government will need extra allocations next year.

Maia said the government decided to ask Congress for the credit shortly before the beginning of the recess because Roberto Figueiredo, chief of the National Treasury Department—who was concerned about the issue, had reportedly submitted his resignation demanding government action to correct this mistake.

Castro Diaz-Balart Discusses Cuba's Situation

PY2212165290 Sao Paulo FOLHA DE SAO PAULO in Portuguese 17 Dec 90 p A 14

["Exclusive" interview with Fidel Castro Diaz-Balart, president of the Cuban Atomic Energy Commission, by Carlos Franco, from the FOLHA DE SAO PAULO Rio de Janeiro Bureau, in Rio de Janeiro on 15 December]

[Text] [Franco] Today Cuba is the only country in the self-named socialist bloc that maintains a one-party system. Does this isolate you from the rest of the world and the Soviet Union itself?

[Castro Diaz-Balart] I do not believe Cuba is isolated from the rest of the world. That is what the United States wants, but the truth is something else. We maintain trade and exchange relations with more than 100 countries, and we have common links with several others, mainly with the socialist countries. It cannot simply be said that there have been radical changes in the Soviet Union over the past few years. Gorbachev is trying to apply the theory of convergence—in other words, the union of social achievements with economic and technological development—but, this is only an attempt, nothing has been defined yet.

[Franco] The Soviet Union has partially cut off financial aid to Cuba. Does this not reflect those changes?

[Castro Diaz-Balart] In the economic sector, yes; but not in the political or ideological spheres. Gorbachev himself has frequently said that the Soviet Union also needs financial resources to achieve its development goals. Even so, the central government of the Soviet Union is currently preparing to free new resources for Cuba. The trouble is that the Soviet Union is currently facing ethnic conflicts and independence struggles that it will have to resolve in order to reorganize its economy.

[Franco] Will Gorbachev's changes lead the Soviet Union to a market economy?

[Castro Diaz-Balart] The question cannot be evaluated simply. Obtaining better living conditions has always been the objective for people. All men desire to have a diverse variety of quality goods. Priorities have to be identified, however. We socialists give priority to social questions. This does not mean we have forgotten economic and industrial questions, but, without a doubt, they figure in second place. Gorbachev is trying to unite these two elements.

[Franco] How does Cuba fit into this context?

[Castro Diaz-Balart] We also are trying to improve productivity and product quality. We maintain contacts with several countries, and we are improving our knowledge. Today we have 300,000 graduates, 295,000 senior students, and 300,000 other students, which is a lot if we consider that Cuba has only 10 million inhabitants. We have a well-equipped chemical-pharmaceutical industrial complex, and we export medicines to numerous countries, including Brazil. We are also investing in the construction of a thermonuclear plant at Cienfuegos, 160 km from Havana. Thus, we will improve the population's living conditions. We will, however, always go hand-in-hand with socialism.

[Franco] Then you believe in socialism?

[Castro Diaz-Balart] Not only myself, all Cubans. Socialism is our country's national identity. Our people had to struggle for many years—first against Spain and then against the governments supported by the United States—to gain their independence and resolve their social problems. Currently, we are preparing for the fourth congress of our Cuban Communist Party, which will be held in the last six months of 1991. During the congress we will evaluate the situation of socialism today.

[Franco] Will the fourth congress approve changes?

[Castro Diaz-Balart] There are different ideas, but all of them favor socialism. What changes is how to administer socialism. Our objective is to improve the population's living conditions.

[Franco] The U.S. President has a project to unify the countries of the American continent (Americas Initiative), does this not contribute to Cuba's isolation?

[Castro Diaz-Balart] The union proposed by Bush responds to the Chicago School theory. I do not believe in its efficiency because knocking down trade borders will not contribute in any way to the development of Central and Latin American countries. Bush wants to unify countries that have different degrees of manufacturing development with raw material producers. This will result in an increase in the debts of Latin countries, including Brazil. This proposal is similar to Kennedy's (John Kennedy) Alliance for Progress and it is going to demand an effort from the Latin countries that will be beyond their possibilities and economic reserves; this implies subordination to the restrictive conditions of banks, especially the IMF. This is what the United States is interested in.

[Franco] How is Cuba resolving the scarcity of Soviet resources and investment in the country?

[Castro Diaz-Balart] We do not have many problems to resolve. The social question, which is the most important for us, is practically resolved. We have no more problems in the education, housing, health, and transport sectors. Today's infant mortality rate in Cuba is 11 deaths for each 1,000 infants who are born. Our goal now is to improve energy conditions, which will benefit the agricultural, industrial, and medicine sectors. This is why we intend to complete the Cienfuegos thermonuclear plant by 1993. The project will result in a 15-percent reduction in the use of the fuels that we use today.

[Franco] Will that plant be completed on schedule?

[Castro Diaz-Balart] Yes, I believe so. We are currently completing the roof section. Immediately after this stage has been completed, we intend to start installing the reactor, which is of Soviet manufacture. It (the reactor) is similar to the reactor at Angra 1, but it has a security factor for tremors and it is powered [as published] by pressurized water. The water is also used for cooling purposes and for moderating the neutrons.

[Franco] Is the equipment Cuba is purchasing from Nuclebras' [Brazilian Nuclear Corporations Inc.] Nuclear Plant Construction Inc. for the plant?

[Castro Diaz-Balart] We have charged Brazil with manufacturing an apparatus to measure the radioactivity in people who have been exposed to it. This apparatus is part of the security equipment we are purchasing, and it will help in our people's education. Thus, we will be able to live more securely with a nuclear plant. I am also in contact with the National Commission for Nuclear Energy (CNEN) because the exchange of information in the nuclear sector is essential.

Dauster on Reaction to Latest Debt Proposal

PY1912212590 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 18 Dec 90

[Text] The creditor banks were not satisfied with Brazil's recent proposal to cancel the offer to pay $900 million in overdue interest, even though Brazil did promise to pay 30 percent of the interest coming due in January, February, and March.

After meeting with representatives of the creditor banks this morning, debt negotiator Jorio Dauster apparently believed that the situation is still favorable for Brazil.

[Begin recording] [Reporter] The banks said your proposal was unsatisfactory, but they admitted that it represents a step forward in negotiations. Is the Brazilian Government aware of the bankers' reactions?

[Dauster] Of course they believe the proposal is a step forward. It would be incomprehensible if they believed the proposal was a step backward. The proposal is an advancement and I believe that their expressed dissatisfaction over it is part of the game. In my opinion, however, their reaction has been positive. [end recording]

From Brazil's point of view, the reaction is positive because negotiations are continuing. The creditor banks believe the proposal is a step forward, although they do not think Brazil is offering them a Christmas gift.

As a clerk from a U.S. bank said today, we must remember that 85 percent of the $490 million that Brazil plans to pay will only be paid in March. According to him, the Brazilian proposal has sent a message to the banks saying that the check is in the mail.

Ricupero To Head GATT Contracting Parties

PY2312025090 Sao Paulo FOLHA DE SAO PAULO in Portuguese 15 Dec 90 p B 5

[Summary] Ambassador Rubens Ricupero, the head of Brazil's permanent delegation in Geneva, was yesterday elected president of the "contracting parties" of the GATT.

Disputes Hinder PRC-Brazilian Satellite Program

PY2412203690 Sao Paulo FOLHA DE SAO PAULO in Portuguese 21 Dec 90 p G 4

[By Ricardo Julio]

[Text] Development of the China-Brazil Earth Resources Satellite (CBERS) program could resume in January. The program has been held up for 19 months due to disagreements between scientists from both countries.

The National Institute of Space Research (INPE), which represents Brazil in the joint venture, has conditioned its

participation in the program to a larger share of the work. The Chinese have resisted this condition in the past, but, lately, they have "agreed" to discuss it.

Last week the committee directing the program met at INPE headquarters in San Jose Dos Campos (85 km northeast of Sao Paulo) to overcome the deadlock. The committee, comprised of representatives of both countries, did not end the dispute, but created two subcommittees to study the "technical feasibility" of broadening INPE participation in the program.

One of the subcommittees will study the possibility of manufacturing and testing a second satellite prototype at INPE facilities. This is considered the most delicate issue in the dispute between Chinese and Brazilians because the Chinese doubt that INPE is technically capable of doing the job.

Wang Hezhong [name as published], 59, who headed the Chinese delegation, told FOLHA that the job of manufacturing and testing the satellite is "too complex" for Brazilian scientists. Wang is also vice president of the Chinese Academy of Space Technology (CAST).

Mucio Roberto Dias, 42, coordinator of INPE's Space Technology Department, believes the Chinese are reluctant to give Brazilians a larger share because "they fear the transfer of sensitive technology to Brazil." Dias confirmed he has complete confidence in the INPE's technical ability to do the job. "If we thought we were not up to the job, we would not have asked for it," Dias said.

The other subcommittee, which will be made up of seven representatives from each country, will discuss control of the satellite while in orbit. The INPE wants to control the satellite one-third of the time. The Chinese agreed to let the Brazilians share control, positioning, and operation of the three satellite cameras, but refused to share control of the satellite platform (body).

The two subcommittees will begin meeting in the PRC on 15 January, and their conclusions will be ready in May. The directors committee will meet again in June to make a final decision.

Development of the satellite equipment, however, has not stopped. The project is now entering the stage of components manufacturing according to specifications drawn up during the year.

The international agreement to build the CBERS was signed by former President Jose Sarney in July 1988. The Brazilians have not signed the contract to launch the satellite during this time (two years and five months) because it is the only way for INPE to pressure the Chinese. Finally, Brazil will not make any payments to the Chinese until the agreement is officially concluded.

Textile Export Agreement Signed With Soviet Firm

PY2312025290 Rio de Janeiro O GLOBO in Portuguese 14 Dec 90 p 27

[Summary] The Staroup and Santista Company yesterday signed a $10 million contract to export textiles to the Soviet Union. The contract covers the sale of 2 million meters of material for blue jeans, half of which will be exported as finished products. Staroup President Andre Ranchsburg said the company plans to open a second factory in the Soviet Union with its Soviet partner Odema on Sakhalin Island near Japan. Staroup began its joint venture in the Soviet Union in 1987.

Chile

EFE Summarizes Reportage on Army Situation

PY2412141090 Madrid EFE in Spanish 1550 GMT 20 Dec 90

[Text] Santiago, 20 Dec (EFE)—Today's press reports stress that the Army's confinement to barracks early this morning was due to internal problems that were the result of pressure from a certain sector against General Augusto Pinochet after cases of corruption that occurred during his presidency came to light.

The confinement to barracks, which caused a tense situation for eight and a half hours, is being thoroughly covered by the media, which is mixing reportage with commentaries and all kinds of speculation.

Defense Minister Patricio Rojas has defined the military mobilization as "an exercise to help outline liaison plans." Rojas previously had said it was "an irregular development" within the Army.

The newspaper LA NACION, citing "an expert in military matters," stresses that the confinement to barracks was the result of an internal struggle between officers demanding that Pinochet resign as Army commander and others who want him to remain in the post.

The pro-government newspaper indicates that officers in the former group unsuccessfully tried to get the government to ask Pinochet to resign. When he ordered the confinement to barracks, "they tried to convince him to desist from such folly."

LA NACION adds that the internal struggle led to a crisis when Pinochet handed over to the courts the names of 150 officers and NCO's [noncommissioned officers] who had been sanctioned for their involvement in the activities of the illegal La Cutufa financial firm, which, in the opinion of the dissidents, "sullied the prestige of the Army."

The newspaper LA EPOCA reports that the confinement to barracks was a method of pressuring the government because the Army believes that the attacks against the

commander in chief are unjust. The report adds, however, that the mobilization did not receive the approval of all the high command.

LA EPOCA, which leans toward the Christian Democrats, mentions Lieutenant General Jorge Lucar, deputy Army commander in chief, as the leader of the sector opposing Pinochet.

Several media highlighted the fact that Lucar, together with President Patricio Aylwin, participated in a graduation ceremony for new carabineros officers (militarized police) a few hours after the confinement to barracks took place.

The newspapers recall that Lucar was "the promoter" of the agreement achieved in November 1990 between the government and the Army on the Army leadership when a serious confrontation took place between Aylwin and Pinochet over the president's refusal to promote two generals who were supporters of Pinochet.

The newspaper FORTIN MAPOCHO, citing "intelligence sources," reports that the officers who confined themselves to barracks submitted three demands to the government: an end to the slander campaign against Pinochet, the removal of the defense minister, and the resignation of all socialist ministers.

Early this morning, Rojas himself denied that the government had asked Pinochet for his resignation, and he stressed that the situation did not mean that institutional order has broken down.

The media, political leaders, and analysts agreed that a clearer explanation will have to be given on the causes and nature of this confinement to barracks. This is a clear demonstration that the defense minister's explanation has convinced no one.

Senators, Union Leaders React to Army Incident

PY2112144690

[Editorial Report] Santiago Domestic Service in Spanish at 2200 GMT on 20 December carries, as part of its regular newscast, approximately nine minutes of reportage on reactions to the confinement of Army troops to their barracks yesterday and today.

In a two-minute report, CUT [United Labor Federation] President Manuel Bustos says this situation "confirms the problem of instability caused by incidents related to the Army high command." Bustos adds: "There is no political, institutional, or economic justification for a military uprising." He says institutional commands must explain to the country the reasons for the unscheduled confinement of Army troops to their barracks, and adds: We cannot accept actions that damage the Army's image.

In the same report, Pedro Briseno, chairman of the Confederation of Chilean Workers, states that this incident is the normal consequence of a systematic smear campaign against the Armed Forces. "Those who want the Army commander's resignation are disrupting the current institutional system and seeking division and confrontation between civilian and military institutions," Briseno says. He adds that the escalation of offenses against Army commanders is unacceptable.

In a two-minute report, National Renewal Senator Sergio Onofre Jarpa minimizes the incident, saying that in his judgment, "there was no attempt at subversion or rebellion or an attack on the country's stability." He adds that there was no request for the Army commander's resignation and there was no confinement to barracks, only military meetings to deal with matters related to an illegal financial institution. He adds that there are problems within the Army because many officers deposited their money in that financial institution. They are concerned and this is sufficient reason to meet and analyze the situation, he says.

In a five-minute report, Christian Democratic Party Senator Eduardo Frei says that the recent military incident did not jeopardize the democratic transition process. He minimizes the public campaign against the Army commander and his institution.

Socialist Senator Jaime Gazmuri says the Army, unlike the Air Force and Navy, has had more difficulty adapting to a state of law, and society has the right to know the scope of military movements.

Appointed Senator Ronald MacIntyre says the country has lived through hours of great anxiety, and the presumed confinement to barracks, in his judgment, is the most serious obstacle since the beginning of the democratic government.

Independent Democratic Union Senator Jaime Guzman says that all of the country's political sectors are committed to the democratic system. Referring to the Army confinement to barracks, he says there is solid support for the commander in chief, General Pinochet. When asked whether the situation created by the Army maneuvers is a form of intimidating President Patricio Aylwin's government, Guzman answered negatively.

Communist Party Secretary General Volodia Teitelboim terms the confinement of Army troops to their barracks "the most serious incident in the institutional, political, and military order since President Patricio Aylwin's assumption of power." Teitelboim adds that there is an obvious unresolved conflict.

Socialist Party president Jorge Arrate says that there is some nervousness in the Army due to the very complex situation in the country resulting from investigations being carried out by the courts and the Chamber of Deputies. He says that one of the great objectives in this period is building sound democratic relations between the civilian and military sectors. He adds: "On several occasions, we have said, either verbally or in writing, that we feel that the presence of General Pinochet as Army chief represents a disrupting element in the transition process." He adds that this is only a political

opinion, based on the idea supported by socialists that Pinochet's presence does not favor a reconciliation process within a democracy.

Appointed Senator Comments on Army Situation

PY2212223090 Santiago Domestic Service in Spanish 2200 GMT 21 Dec 90

[Text] Appointed Senator Santiago Sinclair has contended that there is no reason for General Augusto Pinochet, current Army commander in chief, to resign because he is performing his duties with dignity and as prescribed by the constitutional mandate. Sinclair made this statement after meeting at the offices of the National Renewal Party with Senator Sergio Onofre Jarpa and Alberti Espina, party bloc leader in the Chamber of Deputies.

According to Senator Sinclair's report, the meeting covered matters of national sovereignty, especially regarding the construction of the Easter Island airport. Asked if he considered the liaison exercise performed by the Army to be a method of pressuring the government, Sinclair replied that the exercise was aimed only at determining the Army's state of preparedness and mobilization for carrying out a mission and should not be construed as a warning.

Political Reaction to Army Confinement

PY2212221090 Santiago Domestic Service in Spanish 1000 GMT 22 Dec 90

[Editorial Report] Santiago Domestic Service in Spanish at 1000 GMT on 22 December carries, as part of its regular newscast, reactions from some political leaders to the security, readiness, and liaison exercise conducted by the Army on the night of 19 December.

After representatives of the Socialist Party, the Party for Democracy, and the Humanist Party met with President Patricio Aylwin to express their support, Deputy Jaime Estevez made a short statement in which he said that "there is evidence, or a strong presumption at least, that the military exercise was staged to insinuate that force could be used against other branches of the state, in this case the judicial and legislative branches." Estevez added: "If the intent was to intimidate the judicial and legislative branches, it seems to me that the move was a gross mistake."

In another short statement, Miguel Otero, National Renewal Party vice president, noted that "things have been mishandled here. As I said before, advisers on both sides were wrong. In many cases pride has prevailed; in others, not enough thought was given to the fact that when a process of redemocratization is going full tilt, much more sensibility and care are required." Otero said in conclusion that the National Renewal Party is calling on the good sense of citizens to overcome the present situation.

Krauss Reaffirms Role of Defense Minister

PY2212210090 Santiago Domestic Service in Spanish 1600 GMT 22 Dec 90

[Text] Interior Minister Enrique Krauss has labeled the tactical operation the Army carried out the evening of 19 December as a mistake. The minister held a news conference and explained the government's viewpoint on the situation. He said, among other things, that the Army's explanation was not fully satisfactory, nor does it reflect the restraint, prudence, and respect that the executive branch expects.

Krauss stated that, in his opinion, this kind of exercise should not take place. Asked whether the operation may have had other connotations, Krauss answered:

[Begin Krauss recording] It is rather difficult to accept the need for an exercise of this kind under the current political circumstances. Meetings were being held with general officers and congressmen to discuss proposals to deal with situations involving people, not institutions, people who were linked directly, indirectly, or through family ties to a certain institution. Just as these situations were being discussed, we had this development, which has no precedent in military history. At least, I am 58 years old and I have never known something like this to happen, although I am quite interested in what is going on in the country. I have never heard of a military operation like this one. [end recording]

The interior minister confirmed that Patricio Rojas is the only valid government interlocutor with the Armed Forces, stressing that the defense minister has the support of the president of the nation. He also praised the efforts of the defense minister, who has been carrying out his duties successfully at the expense of a great deal of self-sacrifice. Negotiators will not be changed, Krauss said.

[Begin Krauss recording] The president has always clearly stated that relations with the Armed Forces are channeled through the defense minister, and this interlocutor will not be replaced. Furthermore, there will be no talks. There is no point in harping about some alleged negotiations aimed at getting the government to take action to stop or downplay investigations that involve certain people, because there are no such talks. The government believes in the full exercise of the state of law and the free play of the institutions that are constitutionally part of this state of law. In other words, the oversight agencies of the National Congress and the investigative and sanctioning mechanisms of the judiciary branch will carry out their duties.

If the idea is to get negotiations on these issues started, it is a futile idea and there is no point in harping any more on this subject. The normal relations between the government and the Armed Forces are channeled through the defense minister. [end recording]

As to the report that the Rettig Truth and Reconciliation Commission must submit in January or February next year, Krauss made it clear that the democratic process

will not be disrupted and that the president of the nation will be the one to study the report. He added: It would be rash to speculate on specific conclusions.

The interior minister made these remarks to the news media shortly before presiding over a ceremony in which 14 fire trucks and rescue vehicles were given to the Chilean Fire Department. The ceremony took place at Constitution Plaza in Santiago.

PDC Statement Criticizes Army Confinement

PY2212214490 Santiago Domestic Service in Spanish 1000 GMT 21 Dec 90

[Text] The Christian Democratic Party [PDC] has deplored and rejected any act of pressure that could put the democratic system at risk.

In a public declaration, the PDC leadership stated that it deplores the Army's confinement to barracks, which ended yesterday, and that these incidents only damage the desire of all Chilean sectors to strive for the full enforcement of the state of law in which all state institutions, without exception, acknowledge the Constitution.

The PDC communique states that nobody will be able to prevent incidents from being investigated in a responsible manner through legitimate actions and the pertinent state organizations

The communique ends by praising the Senate and Chamber of Deputies agreement that ratifies the Chilean peoples' sovereign will to consolidate a stable democracy.

Pinochet Praises Media Coverage of Army

PY2112160490 Santiago Domestic Service in Spanish 1000 GMT 21 Dec 90

[Text] Army Commander General Augusto Pinochet Ugarte thanked the media for work done to benefit the Army during 1990. Pinochet praised the media's performance and urged this sector to maintain the fatherland's values.

[Begin Pinochet recording] I am very glad to meet with you and personally thank you for the coverage given to all the Army's professional activities. The role you play is vital because it is extremely important for the people to be fully informed about the role played by our dear institution in defending its fatherland, the degree of training of its troops, the various circumstances that reflect its spirit, and the means it has to fulfill its honorable mission.

At the same time, you, in performing your duty, have made an important contribution to keeping alive the Army's glorious past, which blends with the very history of our country and includes numerous unforgettable feats of arms involving illustrious soldiers who died for the free, independent Chile we currently enjoy. [end recording]

Pinochet went on to say that he urges the media to uphold the sacred cult of the fatherland's traditional values and the constant renewal of the well-deserved respect that the Army—guardian of the nation's libertarian paths and, at the same time, a factor in the progress and development of its inhabitants—should enjoy.

[Begin Pinochet recording] Therefore, I highly value the task you fulfill for the newspapers, radio stations, magazines, television channels, and press agencies you work for because the media are in charge of preserving and protecting our historic heritage. As a result, the accurate information about the institution that you disseminate is constantly directed to a national and international sector that includes all social classes, ranging from the ordinary man on the street up to specialists analyzing the military and government sectors. [end recording]

In a chat with the media, General Pinochet declined to comment on his meeting with President Patricio Aylwin.

FPMR Sees Pinochet as Threat to Democracy

PY2212001690 Santiago Radio Chilena Network in Spanish 1600 GMT 21 Dec 90

[Text] The Manuel Rodriguez Patriotic Front [FPMR] has stated that democracy in Chile will not be safe as long as General Augusto Pinochet continues in his post. The group also asserted that the time has come to defend achievements and to demand that all remnants of the dictatorship be eradicated.

The FPMR has stated that it will be ready to back the initiatives of the people and government as required by circumstances.

Also, FPMR members (Maria Rojas) and (Susana Bugueno), who were arrested on charges of violating the weapons control law, have been released on bail.

Interior Minister Discusses Intelligence Issues

PY2212233090 Santiago ANALISIS in Spanish 10-16 Dec 90 pp 20-21

[Interview with Chilean Interior Minister Enrique Krauss Rusque by Maria Eugenia Camus at the La Moneda Government House in Santiago on 6 December]

[Excerpts] [Passage omitted] [Camus] Has the government dropped plans to recover the records of the CNI [National Information Center]? Is there any chance of recovering these records?

[Krauss] We think there is. The democratic reconstruction process [marcha blanca] entails adjustments, and we have had to adapt our operation mechanisms. Now there is cooperation among intelligence services and police organizations. This is quite useful. During the last administration, CNI administrative matters were carried out through the Interior Ministry. There are no records left, but we have been able to reconstruct some, including those of the Dignidad Colony. We found a notice that Foreign Minister Hernan Felipe Errazuriz submitted to Interior Minister Carlos Caceres. Attached to this notice is a resolution issued by a Talca Appellate

Court special judge containing a series of measures to be adopted. This gave us some clues that will allow us to adopt unannounced measures at the appropriate time. [passage omitted]

[Camus] Will you adopt any measures on the security apparatuses of some former members of the now extinct CNI, such as that of former CNI Operations Chief Alvaro Corbalan?

[Krauss] We are concerned about this situation, and we are studying it. If someone wants to live in a fortress or needs to do so, it is his problem as long as he does not violate the law. This is why, through the Defense Ministry, we have asked the Army command to investigate this case and others involving persons with large protection apparatuses. The Army High Command has said that these cases are under investigation.

[Camus] In the last few days, the people have seen that many of these former security agents have been involved in either crime or corruption cases. Within this context, why has the government insisted on supporting the law that approves funds for former CNI agents who are DINE [Army Intelligence Department] members?

[Krauss] The approved measure concerns not only salaries, which have to be looked after according to Armed Forces statutes; it also concerns personnel who are being relocated and absorbed by the Army but who do not carry out intelligence work. The defense minister has been quite clear on this issue with the members of the joint congressional budget committee, the country, and of course, the Army commander.

[Camus] DINE does, however, carry out intelligence work. What guarantees does the government have that these former agents will not carry out intelligence activities if it does not even know their names?

[Krauss] We do know their names because they are listed in the Defense Ministry payroll under the Chilean Army. They are personnel who will be gradually discharged but must be paid. In other words, there is no budget for intelligence or political information activities to be carried out in the political field by personnel from former security organizations.

[Camus] Some of the people included among "these personnel" as you say, have been indicted for their involvement in the La Cutufa case. Do you not think their being assigned to DINE could harm the Army's image?

[Krauss] The Army's image is not jeopardized by the La Cutufa scandal. Moreover, the military is interested in clarifying this issue out of love for the Army. I believe, however, that they are also affected by the fact that some of their comrades in arms have been involved in this type of operation, which is speculative but does not constitute a crime.

[Camus] If DINE personnel do not carry out operational activities, how do you explain the fact that DINE officials are following politicians and government officials?

[Krauss] Yes, we have indeed received such reports from very reliable persons, from legislators, and even people close to the first lady. We immediately submitted these reports to the Defense Ministry. The Defense Ministry informed us that these reports had been submitted to the Army and that the Army High Command has assured the defense minister that it will never happen again. [passage omitted]

Ministry Changes Name; Council Created

PY2312014090 Santiago EL MERCURIO in Spanish 1 Dec 90 p C 4

[Text] Valparaiso—The Chamber of Deputies has approved a law to change the name of the Economy, Development, and Reconstruction Ministry and to create the National Technology Council [Consejo Nacional de Tecnologia].

When the law goes into effect, the Economy Ministry will be called the Economy, Commerce, and Technology Ministry [Ministerio de Economia, Comercio y Technologia]. In addition to its current duties, this ministry will promote, develop, and coordinate the appropriate national technological activities for the development of national productive resources.

To carry out this assigned task, the ministry must draft an overall technology development plan that will be submitted to the president.

Along with its other duties, the ministry will oversee the execution of other legal rules, regulations, and resolutions on industry and internal and external commerce.

The law also creates the National Technology Council, which will advise the ministry within the framework of its duties.

New Antarctic Naval Base Commander Installed

PY2312015090 Santiago EL MERCURIO in Spanish 8 Dec 90 p C 4

[Summary] Corvette Captain Carlos Rodriguez Carl has assumed the post of commander of the "Arturo Prat" Naval Base in the Antarctic, replacing Corvette Captain Eduardo Velarde Lorca.

Antidrug Agreement Reached With Peru

PY2412131690 Santiago Domestic Service in Spanish 1000 GMT 24 Dec 90

[Text] Chile and Peru have agreed to fight drug trafficking with all their available means. To this end, the two countries undertook a joint operation in the border areas of Arica in Chile and Tacna in Peru. The objective of the operation is to reduce the trafficking of drugs between the two nations as much as possible.

The agreement was reached at the seventh meeting of the Peruvian-Chilean Border Integration Subcommittee, which was held in Tacna over the past two days.

Chilean delegation leader Luis Gutierrez said that the subcommittee considered the need to create a border committee that would be empowered to operate immediately if any problem is detected.

Colombia

Defense Ministry Reports 15 Rebels Killed

PA2612230790 Bogota Radio Cadena Nacional in Spanish 1200 GMT 26 Dec 90

[Report by Alvaro Ayala]

[Text] Bogota—The National Defense Ministry has reported the following results of subversive actions during the Christmas holiday: 15 guerrillas killed, five policemen kidnapped, four towns attacked, and two Navy tugboats burned. The military report indicates that 15 policemen killed four rebels of the self-styled Revolutionary Armed Forces of Colombia [FARC] while repelling an attack on the town of (Puerto Alvira), in the Mapiripan area in Meta Department.

It was also reported that FARC rebels burned two tugboats that were carrying (?telecommunications) equipment, cattle, food, and timber for the town of San Jose del Guaviare. The tugboats carried the following identification: "ARC Inirida" and "ARC Seguari." The losses from the tugboats were estimated at 1.5 billion pesos after the rebels set them on fire in the (Ortoguapa) River in Caqueta Department, and in the Ariari River in Meta Department.

In addition, five policemen and one priest were kidnapped by a column of the Simon Bolivar Guerrilla Coordinating Board that stormed the town of San Carlos, Antioquia Department, on Christmas Eve. The names of the kidnapped policemen are: Sergeant Alfonso Botero Patino and policemen Juan Carlos Casamango Munoz, Henry Delgado Burbano, Bernardo [name indistinct], and Balbino Argamero Soler. The name of the priest is Jairo Hernan Ramirez.

The military report indicated that public order was restored in Santiago Municipality, Norte de Santander Department, after 50 rebels stormed the town. No Army casualties were reported in the attack. At present, military operations are continuing in the Chaparral Municipality, Tolima Department, after another FARC column attempted to take over the town of Limon, using rifle fire and rockets. However, 15 policemen and one noncommissioned officer succeeded in repelling the rebels.

Battle Reports for 14-24 Dec

PA2612221490

[Editorial Report] Hamburg DPA in Spanish at 2313 GMT on 14 December reports that two soldiers were killed and two were wounded during a clash with FARC (Revolutionary Armed Forces of Colombia) guerrillas in Rio Negro, 300 km northeast of Bogota.

Bogota EL TIEMPO in Spanish on 15 December reports that two soldiers and two FARC guerrillas were killed in a clash in Santander. The guerrillas blew up a bridge over the Pescado River in Valparaiso, cutting the area off from the rest of the country.

Bogota Inravision Television Cadena 1 in Spanish at 1730 GMT on 20 December reports on a clash between FARC guerrillas and troops of the 5th Brigade in the towns of Portachuelos and Galapagos, near Santander. One soldier was killed during the clash.

Mexico City NOTIMEX in Spanish at 2008 GMT on 20 December reports that FARC guerrillas attacked a police post that day in Cisneros, north of Medellin, killing one policeman.

Bogota Radio Cadena Nacional at 1200 GMT on 21 December reports that troops of the Corazi Battalion and FARC guerrillas clashed in the mountainous area between the towns of Corinto and Miranda in El Cauca Department. Six guerrillas were killed in the clash. Troops of the 12th Brigade also clashed with FARC guerrillas near the town of Yare in El Caqueta Department. Two soldiers were killed in the clash.

Bogota Inravision Television Cadena 1 in Spanish at 1200 GMT on 21 December reports that 250 FARC guerrillas attacked the town of Acandi on 21 December. During the six-hour attack the guerrillas killed three, wounded two, and kidnapped one policeman. One guerrilla was killed.

Bogota Radio Cadena Nacional in Spanish at 1200 GMT on 24 December reports that guerrillas attacked the town of Santiago at 0200 on 24 December and surrounded and attacked the town's police headquarters. At 0330, reinforcements arrived, and we were able to rout the guerrillas. The police suffered no casualties; we do not know about guerrilla casualties.

Self-Defense Group Will Continue To Fight

PA2612171790 Bogota Radio Cadena Nacional in Spanish 1200 GMT 26 Dec 90

[Text] If we are to believe the document signed by Henry Perez, head of self-defense groups in the Middle Magdalena region, a document sent to us by our colleagues in Cali, Valle del Cauca Department, we have here something that sounds like a declaration of war. Perez charges that drug trafficker Pablo Escobar Gaviria and guerrilla groups are forming alliances to conduct car bomb attacks, like the failed attack reported earlier by

our Cali correspondent. We have a copy of the text. It states that narcoterrorists and subversives continue their attacks on peasants in some areas of the country. So long as this continues, we will continue bearing weapons to defend our homes. This sounds like a declaration of war because the possibility of amnesty or pardon for self-defense groups has been mentioned, like the one granted to rebel groups.

Paraguay

Minister Urges Congress To Back Investments

PY2512170090 Asuncion ABC COLOR in Spanish 25 Dec 90 p 2

[Text] Evaluating the congressional session that just ended, Foreign Minister Alexis Frutos Vaesken regretted Congress' failure to ratify an agreement on the promotion and protection of investments signed by Paraguay with the Government of the United Kingdom of Great Britain and Northern Ireland.

Frutos noted, however, that this failure was not the sole responsibility of Congress because there were problems in the translation of the document from English into Spanish.

The agreement states that the promotion and mutual protection of investments under an international agreement will encourage individual initiatives and will increase prosperity in both countries. Frutos said: "We need foreign investments to promote our development."

Frutos said that the fact that Congress and the executive branch had conflicting positions on the subject does not mean that an attempt was made to jeopardize the agreement. In sum, he said, all that is being done is in keeping with the democratic transition.

The foreign minister emphasized the need for our country to have foreign investments aimed at promoting our development. He noted, however, that guarantees are required to attract foreign investments. He said: "The government must also guarantee the framework for a tax law, but we primarily need investment guarantees in our country."

Frutos added: "We are not going to attract investments if there is no agreement. I hope the agreement with Great Britain will serve as a model and that we will sign similar agreements with Germany, Switzerland, Japan, and Korea. I expect Congress to give a priority treatment to this matter."

Asked if the draft labor code, which is among the bills Congress did not consider this year, merits a special session of Congress, Frutos said that although a new labor code is highly necessary, this is a legal instrument that requires a serious, careful study.

In this regard, Frutos recommended that the draft labor code submitted by the executive branch be considered by Congress next year.

Asked if the laws approved this year will strengthen the transition process, Frutos said that some favorable laws were approved, but he noted that the executive branch had to veto some laws that were inadequate to meet their objectives.

Frutos lauded the role played by the opposition in Congress because it contributed to strengthening the transition process. He said: "Let no one think that what I am going to say is demagogery, but I frankly believe that, in general terms, the opposition markedly contributed to strengthening this process. Furthermore, opposition members have played an outstanding role in Congress."

Frutos added that the responsibility for the democratic process must be shared by everyone: the government, the opposition, workers, businessmen, and teachers.

Internal Situation of Colorado Party Outlined

PY2212130690 Asuncion ABC COLOR in Spanish 19 Dec 90 p 7

[Text] One year and 10 months after the coup d'etat that toppled Stroessner's dictatorship and after General Andres Rodriguez read his proclamation—in which one of the points called for the unity of all Colorados in government, the ANR's [National Republican Association] internal situation is complex and confusing. Apparently, two large internal movements—Orthodox Traditionalism [Tradicionalismo Ortodoxo] and the Democratic Alliance [Alianza Democratica], with their corresponding factions—are preferred by Colorado voters.

The factions are: The National Republican Movement [Movimiento Nacional Republicano] (MNR—former militant faction), the Guiones Rojos [Red Banners], the Popular Independent Movement [Movimiento Popular Independiente], the Democratic Reformists [Reformistas Democraticos], and the Undecideds or Independents [Indecisos o Independientes], which also constitute a large group. Since the Democratic Traditionalists recently abandoned the Democratic Alliance, the current situation in the Colorado Party is as follows:

Orthodox Traditionalism

It controls the party structure and most of the Colorado Party precincts in the country. As a result of its main leaders' ambitions for power, it divided into two large fronts called "Autonomous" and "Reformists" [Autonomos y Reformistas].

The Autonomous Colorado Traditionalism [Tradicionalismo Colorado Autonomo] is considered to be the hardest sector of the Colorado Party; it is headed by former Foreign Minister Luis Maria Argana and supported by old ANR leaders like Juan Ramon Chavez, Esteche Fanego, Pedro Hugo Pena, and Cano Melgarejo, among others. The group headed by Edgar L. Ynsfran, known as the "Ynsfranistas," also supports this faction.

Renewing Traditionalism [Tradicionalismo Renovador] is headed by Education and Worship Minister Angel Roberto Seifart. It has become strong since Seifart became minister.

This movement is directly supported by Sebastian Gonzalez Insfran, Interior Ministry under secretary, who controls the departmental government delegates to pressure the ANR grass-roots leaders. The use of his power to support Seifart may cause troubles with the Renewing leader [as published], and for this reason he is harshly criticized by Argana followers and Democratic Traditionalists.

Democratic Traditionalism

There are two movements under this line; they are Democratic Traditionalism [Tradicionalismo Democratico] (Tradem), headed by businessman Blas N. Riquelme, and the Traditionalist Intermediate Generation [Generacion Intermedia Tradicionalista] (GIT) headed by Deputies Persio Da Silva and Julio Cesar Frutos.

Tradem: Its leaders are Blas N. Riquelme, Eugenio Sanabria Cantero, and Gustavo Diaz de Vivar, among others. It is the most economically powerful group within the Colorado Party, not including the Stroessnerist militants. Its candidate for the internal Colorado elections is Riquelme, and it is hoping to win many mayors in the interior in the upcoming municipal elections. The economic power of this group may make this possible.

Traditionalist Intermediate Generation: It is headed by Persio da Silva and Julio Cesar Frutos. Ever since they abandoned the Democratic Alliance they have quietly begun to attract Colorado leaders to their ranks. For the time being, its leaders are not fighting for the ANR internal elections.

Democratic Alliance

This is the other large ANR movement. It is made up of the Colorado Popular Movement (Mopoco); the Colorado Democratic Action [Accion Democratica Colorada] (Adeco); Ethics [Eticos], a GI [Intermediate Generation] sector; and the Independents.

Mopoco: Its leaders are Miguel Angel Gonzalez Casabianca and Waldino Ramon Lovera. It is perhaps the best organized internal Colorado movement. It has many branches in the country's interior and has grown rapidly despite the fact that it has trouble attracting peasant sectors because of past Stroessnerist propaganda. It also has internal problems.

Adeco: It is a merger of dissident sectors [sectores contestatarios] like the National Republican Association in Exile and the Resistance [Asociacion Nacional Republicana en el Exilio y la Resistencia] (ANRER), the National Colorado Popular Movement [Movimiento Popular Colorado Nacional] (Mopocona), and an Ethic sector. Its main leaders are: Leopoldo Ostertag, Enrique Riera, and Juan Francisco Elizeche.

Ethics and GI: These are the smallest groups in the Democratic Alliance and they are always accused of not being representative. The Ethic leaders are Miguel Angel Ramirez and Senator Julio Rolando Elizeche. The GI sector, which still belongs to the Democratic Alliance, is headed by Deputies Jose Pappalardo and Jose Martin Palumbo.

Independents: They are headed by the Ypacarai caudillo Luis Becker. He is not identified with any of the Democratic Alliance groups and may possibly be the ideal candidate for the internal party elections. It is believed that the announcement of this possibility has accelerated the estrangement of Riquelme's faction from the Democratic Alliance.

National Republican Movement (MNR): It is made up of former militants who are separated into two groups—those who continue to support the deposed dictator, such as Cameron Montanaro, Benitez Rickman, Miguel Fernandez and others, and a more conservative wing headed by Dr. Martin Chiola, Cesar Palacios, and Bader Rachid Lichi, etc. The latter group maintains permanent contacts with Argana's followers, and some of its men cooperate closely with the Autonomous Colorado Traditionalism.

Guiones Rojos: They are currently aligned with Ynsfran's followers. They have no influence on the grass-roots movements.

Popular Historical Movement: It is made up of former Adeco leaders. Most of them are followers of Epifanio Mendez [a Colorado leader who was banished and died in exile during Stroessner's regime], and their leader is Juan Bernardino Mendez Vall.

Democratic Reformists: It is headed by Carlos Romero Pereira. After making an important proposal, it remained silent and is not participating in the internal ANR struggle.

Independents: This group is made up of grass-roots leaders who are attentively following the development of the internal party struggle. They are the ones who at the last moment may change all internal party election forecasts. Most of the Colorado youth who are disappointed in the current Colorado party leadership are in this group.

Congress Expropriates 150,000 Hectares

PY2512183090 Asuncion ABC COLOR in Spanish 7 Dec 90 p 3

[Summary] The Chamber of Deputies yesterday approved a law expropriating 150,000 hectares of land in Concepcion from the Argentine-Paraguayan Commercial Real Estate Company [Commercial Inmobiliaria Paraguayo-Argentina], a company that owns more than 400,000 hectares of land in that region. It has been reported that the owner of this company is Roberto Antebbi. The law, which affects the largest private estate

in the eastern region of Paraguay, was sent to the executive branch for promulgation.

Finance Minister Reports on Foreign Debt Status

PY2512170890 Asuncion ABC COLOR in Spanish 25 Dec 90 p 90

[Text] Finance Minister Enzo Debernardi yesterday reported that by 30 November this year Paraguay's foreign debt stood at $1.671 billion, 20 percent less than on 31 December 1989.

The minister confirmed that the principal of Paraguay's debt of $435.5 million to Brazil plus interest amounting to $51 million has been repaid at the cost of only $112.8 million.

The minister emphasized that "had this not been done the country would have had to pay $1.05 billion over 20 years."

He explained: "This financial operation, which involved the exchange of foreign debt notes, was successful because Brazilian debt notes had almost bottomed out. Right now the price of Brazilian foreign debt notes is rising."

Debernardi added that the Finance Ministry financed this operation from its own resources.

He said: "The Finance Ministry and various public companies are using their own resources to purchase Paraguayan foreign debt notes at prices well below their nominal value."

Debernardi stated that "after difficult and extended negotiations the Paraguayan economic team reached an agreement with the IMF on a letter of intent and a monetary program that soon will lead to a stand-by agreement with this institution."

He added: "Furthermore, it is important for our country to implement a monetary program aimed at preserving the purchasing power of our currency by reducing inflation. The agreement with the IMF will allow Paraguay to renegotiate its debt with the Paris Club and obtain advantageous repayment terms."

The minister explained that "amortizations, interests, and commissions" related to the country's debt with multilateral credit agencies (IDB [Inter-American Development Bank], World Bank and others) "have been paid as stipulated in the pertinent contracts."

He also reported that "the country's debt to private banks is being discussed with a view toward renegotiating its terms, adjusting them to our country's ability to pay."

Cooperation Pact Signed With Soviet Academy

PY2512020890 Asuncion HOY in Spanish 21 Dec 90 p 11

[Text] The Paraguayan Institute of Social Studies (IPES) and the Latin American Institute of the USSR Academy of Sciences signed a preliminary scientific cooperation agreement last night. This is the first agreement between Paraguayan and Soviet organizations.

The preliminary agreement mentions "the interest of the two institutes in promoting activities related to research, teaching, and joint academic exchange. A preliminary agreement was reached on the study of a scientific cooperation agreement between the IPES and the Latin American Institute of the USSR Academy of Sciences, which will represent their respective countries when the final agreement is signed."

The document says: "The general objective of the preliminary agreement is the exchange of scientific personnel, publications, scientific studies, and anything related to exchange in general."

In conclusion, "the two institutes said the preliminary agreement shows the will to materialize the proposals as soon as possible, and they will do all they can to have the agreement go into effect in the first half of 1991."

Petr Yakovlev of the Soviet Academy of Sciences and Luis Simancas and Gustavo M. Cristaldo of IPES signed the preliminary agreement. Yakovlev expressed satisfaction with the agreement. He emphasized that this is the first document signed between the two countries, marking "a new stage in Paraguayan-Soviet relations."

Yakovlev said the agreement reflects the new tendencies in the world, linking two different countries far from each other. He especially mentioned the participation of a Chilean friend (who also belongs to an academy) in making the contact between the Paraguayan and Soviet institutes.

Luis Simancas said: "This is a small, gradual beginning with great potential that will help overcome barriers...."

After the agreement was signed, Petr Yakovlev spoke about perestroyka. He described this process as "complicated; a hard struggle is being carried out between different sectors of Soviet society."

Regarding its consequences, he said it covers more than political, economic, and social relations. He said "it also affects human feelings," and "this is the main result." He said the world is turning, changing its course; society now has many choices. He added: "In the past, the choice was U.S. imperialism or Soviet socialism."

Peru

Marchand Praises Declaration of Rome

PY2212114690 Lima Television Peruana in Spanish 1100 GMT 21 Dec 90

[Text] Foreign Minister Luis Marchand has stressed that the Declaration of Rome, which was signed by the Rio Group and the EEC, presupposes an important political and economic opening for Peru.

Marchand, who has been in Rome since 19 December, said that this declaration, which introduces a new framework for relations between Latin America and the EEC, is the doorway through which our dialogue with the Europeans can be strengthened.

My satisfaction with this summit is due to the fact that there were a series of key topics for Peru that were finally written into the Declaration of Rome, the foreign minister said. He stated that the declaration includes topics on trade, investment, [words indistinct], and the defense of the democratic system.

Central Bank President: IMF Accord 'Successful'

PY2412023490 Lima Television Peruana in Spanish 0100 GMT 23 Dec 90

[Text] Central Reserve Bank President Jorge Chavez today called the wide agreement with the IMF, reached by Peru, very successful. Chavez showed optimism in announcing the IMF's decision to disburse $370 million as soon as possible to pay Peru's overdue debt with multilateral organizations. He said three important points were analyzed with the IMF during his negotiations in Washington, adding that he emphasized the need for the countries that make up the support group to support the economic program with fresh loans. In this regard, he said $800 million will be granted to Peru in 1991. On arriving in Lima, Chavez held a news conference.

[Begin Chavez recording] Our first achievement is a wide agreement with IMF Executive Director Michel Camdessus, who has publicly approved Peru's economic strategy. He also committed himself to summoning the countries that make up Peru's support group in January. During the negotiations, we expressed our concern about the need to find a solution for paying Peru's overdue debt with the multilateral organizations, which totals $2.145 billion. We also emphasized the need for the member countries of Peru's support group to grant fresh loans in 1991 as support for Peru's economic program. We reached an agreement with these countries so they can grant Peru over $800 million in 1991.

We also made the IMF explicitly recognize that these resources will be granted to Peru as fresh loans at a very low interest rate and for the long term.

The IMF executive board has expressed their will to grant Peru $370 million as soon as the Peru's economic program is approved. This amount will contribute greatly to paying the overdue debt with the multilateral organizations. [end recording]

Air Force on Destruction of Colombian Airplane

PY2612175090 Lima EXPRESO in Spanish 24 Dec 90 p 3

[Official communique issued by the San Martin Political-Military Command explaining the destruction of a Colombian airplane by the Peruvian Air Force (FAP) in Tarapoto on 23 December]

[Text] The San Martin Department Political-Military Command informs the people about the following:

1. Official Communique No. 057 was released on 18 December 1990. It includes a number of guidelines on the strict control that will be enforced on airplanes sighted in the region.

2. On 22 December, at 1140 [1640 GMT], a FAP T-27 plane intercepted a Colombian plane with license No. HK 1335. The Colombian plane was forced to land at the Punta Arena region.

3. The crew abandoned the plane and some townspeople set it on fire. They also shot at the T-212 helicopter that came in support of the FAP T-27 plane.

4. These were the circumstances under which the T-27 aircraft destroyed the Colombian plane. [as published]

Tarapoto, 23 December 1990.
Public Relations Office, San Martin Department Political-Military Command.

Castro's Son Arrives for Nuclear Development Talks

FL2712125290 Havana Tele Rebelde Network in Spanish 1200 GMT 27 Dec 90

[Text] Fidel Castro Diaz-Balart, executive secretary of the Cuban Atomic Energy Commission, has arrived in Lima to exchange views with Peruvian authorities on nuclear development in Latin America. The Cuban official arrived in Lima from Buenos Aires. He began official activities with a meeting yesterday morning with Frigate Captain (Jose de la Fian Masa), chairman of the Peruvian Nuclear Energy Institute. The Cuban mission is fulfilling a busy agenda with Peruvian specialists to exchange information and views on nuclear developments in the Latin American region.

Government Revokes Garcia's Nationalization Law

PY2712020090 Madrid EFE in Spanish 1602 GMT 26 Dec 90

[Text] Lima, 26 Dec (EFE)—A law repealing the nationalization of banks, financial firms, and insurance agencies—a measure promoted in 1987 under the administration of President Alan Garcia—became effective in Peru today. The nationalization law had previously been revoked by Congress, and it had never really come into force due to a series of legal obstacles.

The new law, which was published in the official gazette, also revokes other regulations stemming from the nationalization law and gives the government 120 days to promulgate a new law for the Peruvian financial system. In the meantime, legal regulations promulgated before 28 July 1987—when Alan Garcia announced the nationalization plan, which was approved by the Congress in October 1987—will be in force.

The nationalization of the Peruvian financial system caused a negative reaction. At a large rally held in Lima,

writer Mario Vargas Llosa, conservative parties, and the affected sectors rejected the measure.

Vargas Llosa became the leader of the Liberty Movement, which joined the rightist Popular Action [AP] party, headed by former Peruvian President Fernando Belaunde Terry, and the Popular Christian Party [PCP], led by former Lima Mayor Luis Bedoya Reyes.

The Liberty Movement, the AP, the PCP, and other parties with fewer supporters created the Democratic Front [Fredemo], which nominated Vargas Llosa as a candidate in the Peruvian presidential elections. Vargas Llosa was defeated in the 1990 runoff elections by Alberto Fujimori, an unknown person of Japanese descent from the university sector.

Peru's rightist sectors reacted to the nationalization law—surprising Garcia—after being defeated in the presidential elections on 14 April 1985, when Garcia's American Popular Revolutionary Alliance, with the support of the United Left, received 70 percent of the valid votes, while the rightist sector practically disappeared from the Peruvian political arena.

The rightist sector, however, could not defeat independent candidate Fujimori in the 1990 presidential elections.

Airport Chief Says Security 'Very Bad'

PY2612152890 Lima Television Peruana in Spanish 1100 GMT 26 Dec 90

[Interview with Corpac (Peruvian Corporation of Commercial Airports) President Leoncio Ruiz Rios by television anchorman Cristian Gomez in Lima on 26 December—live]

[Excerpt] We have received a discouraging piece of news in the past few days. It was a reprimand. The U.S. Government has placed a veto on the Jorge Chaves Airport in Lima and has recommended U.S. citizens to avoid it because it does not provide the minimum level of security. We welcome Corpac President Leoncio Ruiz Rios to the studio to talk about this and other problems.

[Begin recording] [Gomez] Good morning.

[Ruiz] Good morning.

[Gomez] Ninety days ago the U.S. Government sent a note to the Peruvian aviation authorities recommending the installation of a minimum number of security measures. What has happened since then?

[Ruiz] We have adopted a series of measures in accordance with our technical and economic possibilities. We have been working on these recommendations since Mrs. (Celsa Uguchi)'s presidency [of the Corpac] and then during the presidency of engineer Enrique Rossi. I was appointed only 30 days ago, and we have continued the work that was begun under the previous presidents. We have adopted some measures, but according to the U.S. Federal Aeronautic Agency [FAA] these measures are not enough. Our largest airport has, therefore, been declared unsafe. We want to stress that the FAA recognized that we have made efforts to solve the problem.

When I took over we began an emergency program...

[Gomez, interrupting] Were you aware of the recommendations?

[Ruiz] Yes. My predecessors informed me of the problem. We adopted the necessary measures. These changes were noted by the FAA agents who visited us approximately 10 to 15 days ago. They suggested that the results are positive, but added that the final decision had to be taken by the U.S. secretary of transportation.

[Gomez] Was the veto groundless?

[Ruiz] Definitely not. We must acknowledge that the airport security is very bad. This the responsibility of a number of entities: customs, immigration, the national police with their three departments, custom agents, and the airlines. Over the years these entities have unfortunately established rights and a modus operandi in which security does not figure very high. This has created chaos and total disorder at the airport. [passage omitted] [end recording]

Announces Safety Measures

PY2712011290 Lima Television Peruana in Spanish 1800 GMT 26 Dec 90

[Text] Leoncio Ruiz Rios, president of Corpac [Peruvian Corporation of Commercial Airports], today announced that safety measures at the Jorge Chaves international airport will be tightened. He told "60 Minutes" that foreign experts will be hired to draw up a safety and administration program.

Ruiz Rios also reported that from now on no one will be able to go out onto the tarmac to receive people arriving by plane. This ban also affects legislators, military men, and high-ranking government officials.

Identity of Antisubversive Personnel To Be Secret

PY2612181090 Lima EXPRESO in Spanish 24 Dec 90 p 4

[Text] The government yesterday decided that in order to enhance the security of Armed Forces and police personnel operating in emergency areas, their identities will be kept secret. Their identities will be revealed only upon request from another recognized authority.

The decision was made official through government decree 171-90 PCM [expansion unknown] which was published in EL PERUANO yesterday. The decree considers all actions by the personnel in question to fall under military jurisdiction during the course of their duty.

This measure will answer the problems resulting from claims and suits that are filed to identify the personnel who intervene in armed clashes between the forces of

order and the subversives. Once identified, they are exposed to frequent terrorist attacks.

The document explains in its introduction that according to Article 10 of Law 24150, Armed Forces and police personnel on duty in areas under a state of emergency fall under the Military Justice Code. Any officer committed by these personnel fall under the jurisdiction of the military code "except those violations that are not related to their specific duty," the document adds.

The decree was signed by President Alberto Fujimori, Defense Minister Jorge Torres Aciego, Interior Minister Adolfo Alvarado Foumier, and Raul Sanchez Sotomayor as the person responsible for the Presidency of the Council of Ministers.

MRTA Threatens To Destroy Oil Fields

PY2612233090 Lima EXPRESO in Spanish 22 Dec 90 p 14

[Report by correspondent James Beuzeville]

[Text] Iquitos, 21 Dec—MRTA [Tupac Amaru Revolutionary Movement] criminal terrorists armed with machine guns and explosives have threatened to destroy the north Peruvian oil pipeline and oil fields in the area of Saramuro on the banks of the Maranon River.

Townspeople from Maypuco who witnessed the mobilization of the subversives arrived in this city with their Lieutenant Governor Carlos Grandez to warn authorities and demand immediate Army and police intervention.

They reported that heavily armed young men wearing uniforms similar to those of the Army have appeared in several areas in the zone requesting support for the "armed struggle" and taking all kinds of food.

Terrorists Blow Up Police Patrol Car

PY2612143890 Lima EXPRESO in Spanish 23 Dec 90 p 18

[Text] Arequipa, 22 Dec—A police patrol car was dynamited last night by terrorists in downtown Arequipa. One policeman was injured. So far no subversive group has claimed responsibility for the attack.

According to the National Police 11th Region Command, patrol vehicle No. P-11035 was parked on the fourth block of Jerusalem Street, 500 meters from the parade ground, when three subversives threw a dynamite charge under the vehicle.

The explosion completely destroyed the police car while other explosions were taking place in different points of the city.

According to one witness, the terrorists took advantage of the unsuspecting policemen, who left the car unguarded. The policeman nearest to the car was seriously injured. He has not been identified. This attack took place at 2130.

Three months ago a terrorist group dynamited the local Popular Bank office on San Juan de Dios Street, three blocks from where last night's attack took place. On that occasion the police reported that the doors of the bank were damaged and windows were broken.

Iron, Steel Enterprise Adopts Emergency Measures

PY2112181090 Lima Television Peruana in Spanish 0100 GMT 18 Dec 90

[Text] In a two-day session, the board of Siderperu [Peruvian Iron and Steel Enterprise] approved the adoption of emergency measures that essentially seek to give the enterprise economic and financial stability. The measures contemplate administrative streamlining, including the elimination of several managerial positions, laying off personnel with negative performances, and economic incentives for workers who have reached retirement age.

LA CRONICA Ceases Publication

PY2412140290 Lima Television Peruana in Spanish 1100 GMT 24 Dec 90

[Summary] LA CRONICA—the oldest Latin American daily—ceased publication yesterday due to economic difficulties. The situation of the workers of LA CRONICA is still uncertain, as is that of the workers of PAGINAS LIBRES, and HOY dailies, which closed recently. LA CRONICA, which began publication in 1912, yesterday released a communique describing its serious economic crisis and suspended its activities.

New Technical Police Chief Appointed

PY2712015290 Lima EL COMERCIO in Spanish 22 Dec 90 p A 14

[Summary] The government has appointed Police Lieutenant General Pablo Rivera Portal as the new director of the Technical Police.

Venezuela

Ministry Calls Suriname Coup 'Intolerable'

PA2712021490 Madrid EFE in Spanish 0026 GMT 27 Dec 90

[Text] Caracas, 26 Dec (EFE)—Venezuela today condemned Monday's military coup that overthrew Surinamese President Ransewak Shankar. Venezuela has announced that, along with other governments of the area, it is studying the possibility of adopting measures to re-establish legitimacy in Suriname.

The Venezuelan Foreign Ministry issued a communique characterizing the military coup as an intolerable violation and calls for the return to power of the overthrown authorities.

The coup, the communique states, represents retrogression in the Latin American democratization process and an intolerable violation of the people's will, which must find firm reaction in the international community.

The note adds that Venezuela does not recognize the authorities created by the coup and calls for the adoption of suitable measures to bring the immediate return to legitimacy in the sister country.

The official communique concludes by stating that the Venezuelan authorities have maintained contact with other democratic governments of this continent to prepare joint initiatives in this case.

Suriname

Military Issues Five-Point Statement

PA2612181890 Paris AFP in Spanish 1717 GMT 26 Dec 90

[Text] Paramaribo, 26 Dec (AFP)—The military, which seized power in Suriname on the night of 25 December, announced today that it will respect the Constitution. This was said in a five-point statement broadcast in Paramaribo. The military authority, a sort of supreme security council headed by Armed Forces Commander Ivan Graanoogst, who spearheaded the coup, took control of the executive branch, forcing President Ramsewak Shankar to resign.

The statement seems to indicate that the National Assembly, which picked Shankar in late 1987, may be called to hear the president's letter of resignation and may designate a new government. According to the official news agency SNA, Shankar, Vice President Henck Arron, and his ministers are meeting today to work on the official letter of resignation. The statement says the military will observe the following principles:

1. Recognition of the National Assembly's status as established by the Constitution;
2. Summoning the National Assembly as soon as possible to work on increasing the level of prosperity of the people of Suriname;
3. Respect for the Constitution and the people's rights without restriction;
4. Preseravation of a constitutional democratic state to guide the actions of the military authority; and
5. Unconditional acceptance of all the obligations of the Republic of Suriname since its independence on 25 February 1975.

Moreover, the military authority issued several communiques stating that Paramaribo's Johan Adolf Pengel International Airport is open for scheduled flights and that the press, radio, and television can operate freely, as established by the Constitution. However, "the military authority strongly urges the press to assume its duties with a sense of national responsibility," according to a communique. Armed Forces and police commandos—which have had differences, in fact, the police went on strike last August—held a meeting where the Armed Forces told the police it was seizing power. The police command informed its members of the situation through the police union, stating that "there is no reason to panic" and announcing that it will continue with its usual police duties.